New Jersey ECONOMIC INDICATORS

JIM FLORIO,
Governor
State of New Jersey

RAYMOND L. BRAMUCCI,
Commissioner
New Jersey Department of Labor

MARCH 1991

New Jersey ECONOMIC INDICATORS

Number 313 **Based on data through** **March 28, 1991**

The Economic Situation in the Nation and the State 3

Economic Briefs 6

Nonagricultural Employment Estimates Revised to a 1990 Benchmark 11

New Jersey Business Births and Deaths By Industry Sector: 1980-1988 18

Statistical Section S-1

New Jersey Economic Indicators is published monthly and distributed without charge, to those wishing to receive it, by the New Jersey Department of Labor, Division of Labor Market and Demographic Research, CN 056, Trenton, NJ 08625-0056. It is prepared with the cooperation of other State and Federal agencies. Material appearing here may be reprinted without permission, but it would be appreciated if appropriate credit were given.

* * * * * * * * * * * * * * * * *

The data contained in all charts and tables have been adjusted to a new March 1990 benchmark. Where appropriate, new seasonal adjustment factors have been applied. The graphs found in *Comparison of Economic Trends in New Jersey and the United States* have been omitted and will be reintroduced when revised. The 13-month tables usually found on pages S-28 and S-29, and S-31 through S-33 will be reintroduced in the April issue.

* * * * * * * * * * * * * * * * *

THE ECONOMIC SITUATION IN

THE NATION

National business barometers now available for the first two months of 1991 offer few, if any, surprises for business managers, workers and government budget officials who have been wrestling on a first-hand basis with the effects of a worsening recession since early last autumn. Industrial production declined in February for the fifth month in a row, consumer spending weakened further following a very disappointing holiday season and construction activity slipped deeper into the doldrums. Employment remained in a downward spiral that began last summer and unemployment climbed to 6.5% as of the second week of February, up from 5.3% last June and its highest level since March 1987.

The effects of the business contraction are evident in nearly all sectors of the economy. Industrial output has been trimmed across almost all product lines, homebuilding is in a severe slump and business investment in new facilities has been declining. Retrenchment continues in the financial sectors, and declining consumer and business spending has resulted in staff reductions in a number of other service and distribution activities. The recession has also created severe fiscal difficulties for a growing number of states as sales, income and other tax revenues have fallen short of expectations.

As of February, private sector nonfarm wage and salary employment had receded by over one million since last August. Manufacturing accounted for 597,000 of this decline, bringing the total factory job loss since industrial activity began to weaken in early 1989 to more than one million. Other significant employment cutbacks since last summer include 425,000 in construction, 233,000 in retail trade and 109,000 in wholesale trade. Smaller declines have been recorded in business services, finance, insurance, real estate and transportation. Partially offsetting jobs gains have continued in some other less cyclically-sensitive service activities, most of them in the burgeoning health care industry. Health care providers have added about 580,000 workers to their payrolls over the past year despite the recession.

There were some encouraging developments during February, including signs of improved consumer confidence and reports of increased buyer interest in housing that has become more affordable because of reduced prices and lower interest rates. The Conference Board's February survey of consumer expectations revealed an upturn of plans to purchase new cars, homes and (to a lesser extent) appliances for the first time since last summer. Its March survey recorded further improvement and similar findings were reported by the University of Michigan's Institute for Social Research. In addition, exports continued to rise in February and both retail sales and housing starts registered partial rebounds following sharp declines a month earlier.

Although it would be premature to rely upon one-month upturns of retail sales and housing starts as evidence of a turnaround in the making, the pickup of consumer confidence appears solid and this lends support to the widespread expectation among business analysts that the consumer (aided by rising demand from abroad) would begin leading the nation out of the recession by mid-year or possibly sooner. It will take some time, however, for improved consumer psychology to become translated into a cyclical rebound of production and jobs. In the meantime, at least some additional employment cutbacks appear likely and unemployment can be expected to advance further until the recession has fully run its course.

THE STATE

Business activity in the Garden State continued to point downwards during the first two months of 1991, mirroring development at the national level. There were additional cutbacks of employment, unemployment insurance claims climbed to nearly double their pre-recession volume and the State's overall unemployment rate (which includes all jobless workers whether or not they are eligible for unemployment insurance) increased sharply from 5.7% in December to 6.3% in February. Labor market conditions can be expected to deteriorate still further until the national economy begins to turn back up, hopefully by late spring or early summer.

Substantial data revisions based on more complete employment information than was previously available reveal that New Jersey's economic downturn began earlier and has resulted in bigger job losses than originally indicated by the N.J. Department of Labor's monthly sample survey of employers. The revised data show that nonfarm jobholding peaked at 3,711,600 in February 1989 and has dropped since then by 78,300 to an estimated 3,633,300 (seasonally adjusted) as of this February. Job losses during 1989 and 1990 were more severe than previously reported in most sectors of the economy, but the revisions were greatest in manufacturing where the employment decline was underestimated by about 30,000.

Manufacturers trimmed their staffs by 8,100 in January and another 4,100 in February, bringing their cumulative job cutbacks over the past two years to 80,900. Declines have been spread over nearly all industry groups, reflecting the combined impact of the nationwide slump of factory orders and the continued migration of production operations to lower cost out-of-state locations. The only significant exceptions to the declining trend have been the petroleum products industry, where employment has been stable over the past two years, and the pharmaceutical industry, which continues to expand its payrolls to new highs because of strong demand in both domestic and international markets.

Employment in construction was little changed in January and February, after making allowance for normal seasonal layoffs. It is unlikely, however, that this signals an end to the cyclical decline of building activity that has idled almost 33,000 workers since March 1988. Except for whatever boost might be provided by the planned acceleration of State transportation and other public building projects, there is as yet no reason to expect that an upturn of construction hiring is imminent.

Building permits for new housing, which dropped to a 44-year low in 1990, do appear to have bottomed out, at least in the case of single family homes. After dropping by 73% from their 1986 peak volume, permits for new single family homes were little changed during the last four months of 1990 and showed some pick-up in January. Also, there have been encouraging reports of increased activity in the residential real estate market. It will take some time, however, before these early signs of a turnaround become transformed into an upturn of job opportunities.

Indicators of planned nonresidential construction offer even less hope for a near-term rebound. Contracts for nonresidential building projects dropped steadily throughout 1990 and can be expected to remain sluggish until general economic recovery is far enough along to have absorbed the excess capacity created during the boom of the 1980s and exacerbated by the economy's slowdown over the past two years.

Employment in the service sectors also was little changed during the first two months of the year as hiring in health care and some other business and personal service activities offset further cutbacks in wholesale trade, transportation, utilities and banking. Aggregate growth in these previously-booming sectors began to slow markedly in 1989 and drew to a halt in early 1990. The State's economy has generated an increase of only 20,000 private sector service jobs over the past two years in contrast to gains averaging about 90,000 annually during the six-year period from 1982 to 1988.

Job creation has continued in some service activities, despite the recession. As in the nation, the biggest increases have been in the health care industry, where employment has risen by 26,500 since February 1989. There also has been counter-cyclical hiring by business and engineering service concerns, educational institutions, legal offices, social service organizations and some types of personal and recre-

ational service establishments. Over the same two-year period, however, retailers have reduced their staffs by about 12,000 and cutbacks have totaled 10,000 in wholesale trade, 6,000 in transportation, 3,000 in utilities and 4,300 in finance, insurance and real estate.

New Jersey's declining employment trend over the past two years has been accompanied by steadily rising unemployment, with the jobless rate climbing from 3.6% during the first quarter of 1989 to 6.3% as of the second week of February. The total number of unemployed workers rose by about 100,000 over the same period to an estimated 249,000, and the number of persons collecting State unemployment insurance (UI) benefits increased by about 64,000 to a seasonally-adjusted weekly average of 136,500 in February, the highest volume since December 1982. Most of those unemployed workers not collecting UI benefits are either relatively new entrants to the labor market who have insufficient work experience to qualify or individuals who have used up all of their benefit entitlements.

Although there are indications that the recession may be nearing its end, such as the recent pick-up of consumer confidence and signs of renewed life in the housing market, labor market conditions both nationally and in New Jersey are likely to get worse before they start to get better during the second half of this year. Some additional employment cutbacks can be expected, especially in manufacturing and construction, and unemployment is likely to edge higher until recovery picks up momentum later in the year.

A quicker pace of hiring should become evident in the service sectors before too long, however, and there should be at least some cyclical recalls in manufacturing once industrial orders begin to rebound, although cyclical rebounds in some industries will be partially obscured by the continuation of long-term declines in others. Some segments of construction could also begin to show improvement before year's end, sparked initially by increased demand for new housing and the acceleration of State-funded public works projects.

COMPARATIVE ECONOMIC INDICATORS
NEW JERSEY AND UNITED STATES

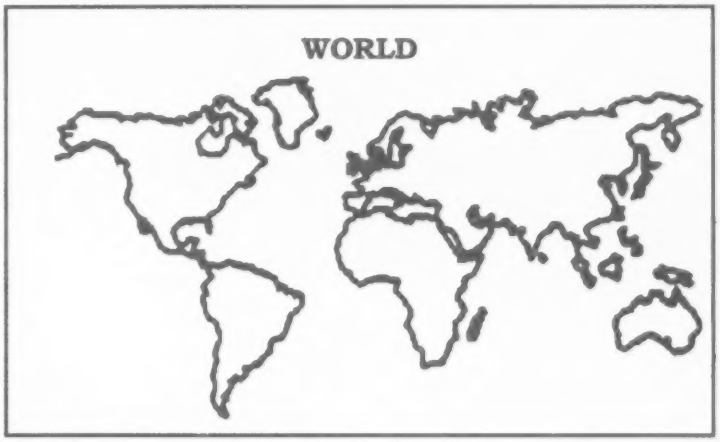
New Jersey Data (Seasonally Adjusted)						Year to Date % Change From Year Ago	
Latest Month	Month Ago	Year Ago	Data For	Series	Page No.	N.J.	U.S.
$194,383	$192,408	$185,350	3rd Qtr.	Personal Income (millions)**	S-22	+ 5.4	+ 6.4
$5,164	$5,433	$5,135	Dec	Retail Sales (millions)	S-22	+ 3.1	+ 3.7
1,916	2,251	2,639	Dec	New Business Incorp. (number)	S-16	- 7.1	-11.5
INA	INA	INA	Dec	Business Failures (number)	S-16	+105.6	+20.0
893	995	2,040	Jan	Dwelling Units Auth. (number)	S-20	-59.6	-54.9
$416.3	$300.3	$683.6	Jan	Construction Contracts (millions)	S-18	-41.1	-22.7
$146.9	$114.7	$194.9	Jan	Residential	S-18	-24.6	-35.8
$199.8	$135.9	$321.9	Jan	Nonresidential	S-18	-37.9	-15.8
$69.6	$49.7	$166.8	Jan	Nonbuilding*		-58.3	- 5.2
3,633.3	3,634.7	3,688.1	Feb	Nonfarm Payroll Emp. (thous.)	S- 8	- 1.4	- 0.1
572.3	576.4	613.3	Feb	Manufacturing (thousands)	S-10	- 6.5	- 3.4
3,061.0	3,058.3	3,074.8	Feb	Nonmanufacturing (thousands)		- 0.3	+ 0.6
249	258	180	Feb	Total Unemp. (thous.) official	S- 4	+35.9	+21.7
6.3	6.4	4.5	Feb	Percent of Labor Force official	S- 6	–	–
126.1	124.0	92.4	Jan	Insured Unemp. (thousands)	S-24	+29.1	+30.9
3.6	3.5	2.6	Jan	Percent of Covered Emp.	S-24	–	–
41.1	40.7	41.2	Feb	Avg. Factory Workweek (hours)	S-12	- 0.4	- 1.2
$12.05	$12.00	$11.65	Feb	Avg. Factory Hrly. Earnings*	S-33	+ 2.9	+ 3.9
$495.26	$489.60	$479.98	Feb	Avg Factory Weekly Earnings*	S-31	+ 2.3	+ 2.6

See pages S-1 to S-3 for data notes on all the above listed series.
* Not seasonally adjusted
** (Latest Month-3rd Qtr. '90) (Month Ago-2nd Qtr. '90) (Year Ago-3rd Qtr. '89)

ECONOMIC BRIEFS

Slower Manufacturing Exports Growth in State, Region, and Nation in 1989

Exports of manufactured products by New Jersey and the United States increased from 1988 to 1989, but at a lower rate than from 1987 to 1988. New Jersey's exports grew by 3.9% compared with 11.6% in the nation. During 1988, the State's exports grew 21.0% and national exports increased by 26.0%. An increase in the value of the U. S. dollar in 1989, in contrast to a considerable decline from 1985 to 1988, was a major contributor to the slower exports growth from 1988 to 1989. New Jersey's rank among the 50 states in exports declined from 11th place in 1988 to 12th place in 1989. Export growth of 3.9% is not quite sufficient to keep pace with inflation. In real terms, the data suggest that exports declined slightly in 1989.



Growth in manufactured exports slowed in 1989 also in the Middle Atlantic region, which consists of new York, New Jersey and Pennsylvania, from 31.4% in 1988 to a negligible 0.3% growth rate. New York's exports actually declined 0.6% and Pennsylvania's increased 9.9% in 1989.

New Jersey's three largest exporting industries grew in 1989, but their growth rate was considerably lower than in 1988 and also lower than the 1989 national growth rates for these industries. New Jersey's largest exporter, chemicals, grew only 1.2% in 1989 compared to 18.8% in 1988. Nationally this industry grew by 10.8% in 1989. The State's second largest exporter, electrical machinery/instruments, grew by 10.7% in 1989, substantially lower than the 1988 growth rate of 32.2%. The third largest exporter, non-electrical machinery, grew at an even slower rate of 4.9% in 1989 compared to 34.0% in 1988. Nationally, these two industries grew 14.5% and 9.6% respectively in 1989.

There were also industries which showed large 1988-to-1989 declines in their exports. Most notable was transportation equipment, the State's fourth largest exporter, which declined 22.8% in 1989 following a decline of 5.4% in 1988. Nationally this industry grew by 11.9% in 1989. The State's seventh largest exporter, rubber and plastic products, declined 29.5%, and food products, the eighth largest exporter, declined 27.1% in 1989. These two industries also declined nationally in 1989 by 5.8% and 3.1% respectively.

These exports data were collected and compiled by the U. S. Department of Commerce's Census Bureau and adjusted by Massachusetts Institute of Social and Economic Research (MISER). MISER adjusts these data by imputing values for the missing fields that some of the records have for the indstry and/or the state or origin. For more information on this analysis, contact Jan DeJong at (609) 984-0657. The 1989 exports data are available on the NJSDC/BIDC Electronic Bulletin Board. For more information on the Board, contact Douglas Moore at (609) 292-0076. To obtain the data on diskettes write to the Massachusetts Institute of Social and Economic Research (MISER), University of Massachusetts, 128 Thompson Hall, Amherst, Massachusetts 01003.

Exports by Origin of Shipment — 1987, 1988, & 1989
New Jersey and United States
(Thousands of Dollars)

SIC	Industry	New Jersey 1987 Mfg. Exports	New Jersey 1988 Mfg. Exports	New Jersey 1989 Mfg. Exports	New Jersey 1988-89 Percent Change	New Jersey 1987-89 Annual Percent Change	United States 1987-89 Annual Percent Change
20	Food Products	170,440	273,627	199,360	-27.1	8.2	10.7
21	Tobacco Products	1,684	2,538	1,337	-47.3	-10.9	25.1
22	Textile Products	62,904	83,527	111,093	33.0	32.9	20.9
23	Apparel Products	69,155	81,750	91,746	12.2	15.2	24.4
24	Lumber, Wood Products	9,399	13,167	11,430	-13.2	10.3	23.1
25	Furniture & Fixtures	20,584	16,210	18,944	16.9	-4.1	27.0
26	Paper Products	102,978	130,216	134,064	3.0	14.1	21.0
27	Printing & Publishing	119,618	166,457	131,444	-21.0	4.8	30.5
28	Chemicals	1,964,585	2,333,600	2,360,588	1.2	9.6	17.6
29	Petroleum Refining	78,177	54,201	120,302	122.0	24.1	4.7
30	Rubber, Plastic Products	210,575	294,402	207,620	-29.5	-0.7	12.1
31	Leather Products	13,782	14,537	25,551	75.8	36.2	26.7
32	Stone, Clay & Glass Prod.	61,853	75,513	87,694	16.1	19.1	10.3
33	Primary Metals	224,944	219,671	304,223	38.5	16.3	35.2
34	Fabricated Metals	164,081	173,213	273,921	58.1	29.2	21.3
35	Non-Electrical Mach.	1,052,853	1,411,215	1,480,381	4.9	18.6	18.0
36,38	Electrical Mach./Instruments	1,103,764	1,459,365	1,615,123	10.7	21.0	20.7
37	Transportation Equipment	829,736	784,304	605,248	-22.8	-14.6	16.5
39	Misc. Mfg.	86,463	89,939	193,939	115.6	49.8	28.1
	Total Manufacturing	6,347,575	7,677,452	7,974,007	3.9	12.1	18.6

Source: Massachusetts Institute for Social and Economic Research
January 8, 1991

New Jersey Ranks 17th in Unemployment

According to figures released by the U.S. Department of Labor, New Jersey's average 1990 unemployment rate increased to 5.0% from 4.1% in 1989. This was the second consecutive year-to-year increase and is evidence of the impact of recession in New Jersey's economy. However, the rate was still the fourth lowest on record, matching the 1986 unemployment rate and marks the 10th consecutive year of lower-than-national rates for New Jersey. The U.S. rate increased from 5.3% to 5.5%.

In comparison with other states, the 5.0% rate ties New Jersey with Virginia for the 17th lowest rate in the nation. The lowest rate among all states was for Nebraska at 2.2%, while West Virginia had the highest rate in the country at 8.3%. Overall, the rate increased in 27 states and the District of Columbia, decreased in 20 states and remained unchanged in 3 states. The industrial states of the east and mid-west plus California and Florida represented the bulk of the states with increases. In neighboring states, the unemployment rate increased from 5.1% to 5.2% in New York, from 3.5% to 5.1% in Delaware and from 4.5% to 5.4% in Pennsylvania.

The average number of unemployed in New Jersey increased to 202,000, up from 163,000 in 1989. Resident employment increased by 21,000 to 3,847,000. This insignificant gain in resident employment is in contrast to the 24,000 loss in nonfarm wage and salary payroll jobs as reported by New Jersey employers. It is important to note that these two measures reflect different types of employment. Resident employment is an estimate of employed New Jersey residents regardless of whether they work in or out of state or whether they are self-employed or in a farm or nonfarm job. Nonfarm payroll employment is a count of filled jobs provided by New Jersey nonfarm employers regardless of the worker's state of residence. Self-employed and farm workers are excluded. Also, since nonfarm employment is a count of filled jobs and not workers, double-job holders are reported and counted on more than one payroll. Not surprisingly, resident employment and nonfarm wage and salary employment often tell somewhat different stories.

Major demographic groups which had larger increases in their unemployment rates than the total for New Jersey from 1989 to 1990 include teenagers, up by 3.5 percentage points to 14.5%; Hispanics, up by 2.8 percentage points to 8.9% and blacks, up by 1.1 percentage points to 9.7%.

Groups which increased by about the same as the total include whites, up by 0.8 percentage points to 4.3%; total males, up by 0.8 percentage points to 5.1% and total females, up by 0.9 percentage points to 4.8%.

Unemployment Rates for New Jersey for Major Demographic Groups

	% of Civilian Labor Force	
	1990	1989
Total - All Groups	5.0	4.1
Total White	4.3	3.5
Total Black	9.7	8.6
Total Male	5.1	4.3
Adult Male, Age 20+	4.6	3.8
Total Female	4.8	3.9
Adult Female Age 20+	4.4	3.6
Youth 16-19	14.5	11.0
Hispanic	8.9	6.1

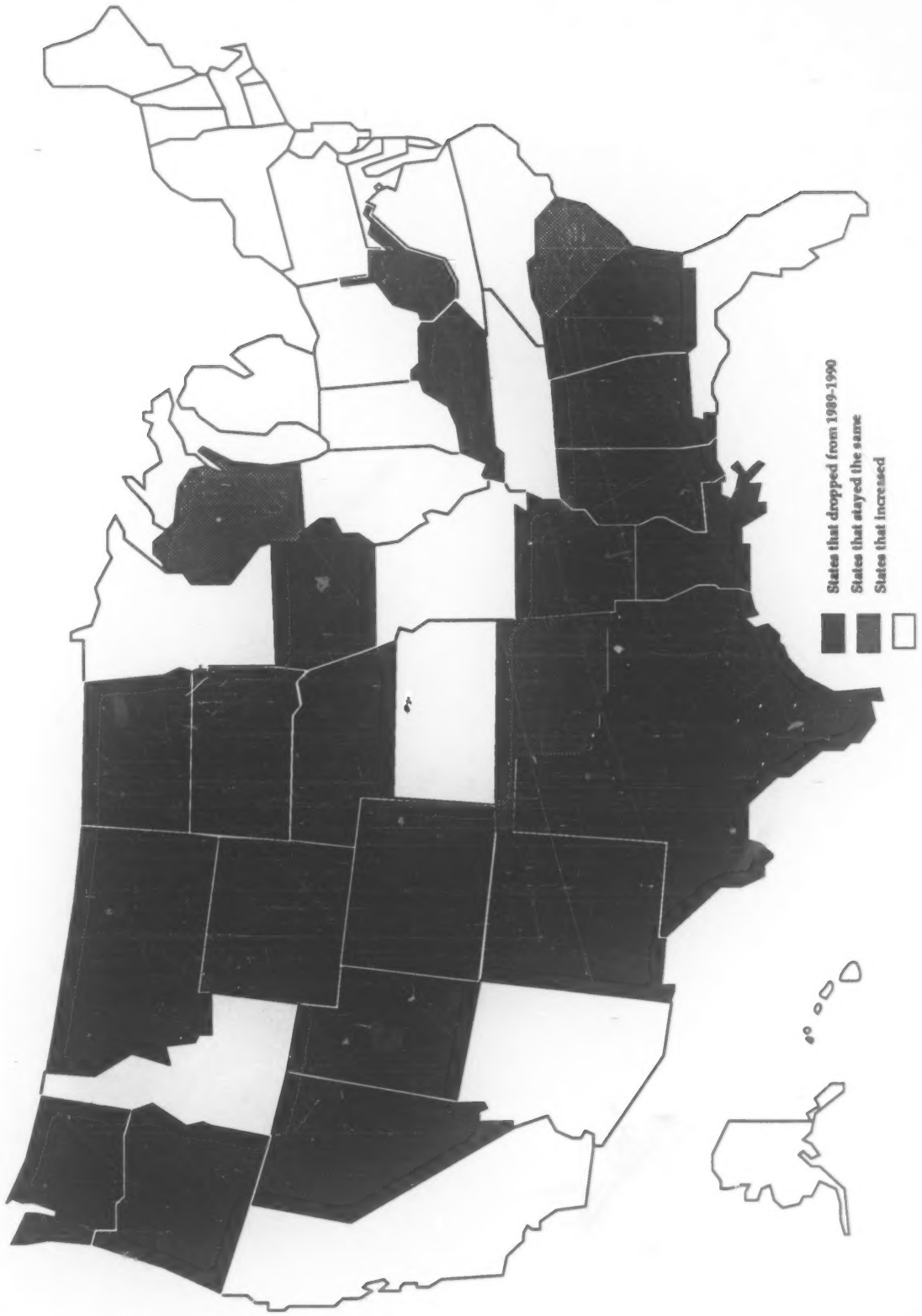
Source: U. S. Department of Labor, Bureau of Labor Statistics.

Unemployment Rates by State, 1989 and 1990

State	Unemployment Rate 1989	1990
Alabama	6.8	7.0
Alaska	6.9	6.7
Arizona	5.3	5.2
Arkansas	6.9	7.2
California	5.6	5.1
Colorado	4.9	5.8
Connecticut	5.1	3.7
Delaware	5.1	3.5
District of Columbia	6.6	5.0
Florida	5.9	5.6
Georgia	5.4	5.5
Hawaii	2.8	2.6
Idaho	5.8	5.1
Illinois	6.2	6.0
Indiana	5.3	4.7
Iowa	4.2	4.3
Kansas	4.4	4.0
Kentucky	5.8	6.2
Louisiana	6.2	7.9
Maine	5.1	4.1
Maryland	4.6	3.7
Massachusetts	6.0	4.0
Michigan	7.5	7.1
Minnesota	4.8	4.3
Mississippi	7.5	7.8
Missouri	5.7	5.5
Montana	5.8	5.9
Nebraska	2.2	3.1
Nevada	4.9	5.0
New Hampshire	5.6	3.5
New Jersey	5.0	4.1
New Mexico	6.3	6.7
New York	5.2	5.1
North Carolina	4.1	3.5
North Dakota	3.9	4.3
Ohio	5.7	5.5
Oklahoma	5.6	5.6
Oregon	5.5	5.7
Pennsylvania	5.4	4.5
Rhode Island	6.7	4.1
South Carolina	4.7	4.7
South Dakota	3.7	4.2
Tennessee	5.2	5.1
Texas	6.2	6.7
Utah	4.3	4.6
Vermont	5.0	3.7
Virginia	4.3	3.9
Washington	4.9	6.2
West Virginia	8.3	8.6
Wisconsin	4.4	4.4
Wyoming	5.4	6.3

Source: U. S. Department of Labor, Bureau of Labor Statistics.

Unemployment Rate Change from 1989 to 1990 for States



Nonagricultural Employment Estimates Revised to a 1990 Benchmark

By
Waldemar Falk
Division of Labor Market and Demographic Research

The Division of Labor Market and Demographic Research estimates the number of nonfarm payroll employees in New Jersey and its 10 major labor areas on a monthly basis. These estimates are based on reports submitted by a sample of employers. In March 1990, the sample numbered approximately 10,600, covering 35.9% of goods producing employment and 35.8% of service producing employment in the state.

By the end of 1990, the sample size had increased to about 12,000, due to sample expansion in wholesale trade, construction, and manufacturing.

BENCHMARK OVERVIEW

The accuracy of the nonagricultural employment estimates is subjected annually to a quality control review. Once a year, in this case March 1990, estimates are compared with a more accurate and complete count of total employment for the same period. This more accurate and complete count of employment is called a ***benchmark*** and is obtained primarily from quarterly contributions reports filed by employers covered by unemployment insurance. New benchmarks, or universe counts, are determined at the most detailed industrial classification, or cell, for which estimates are made.

The sample-generated estimates are reviewed and revised annually since they inevitably differ from the subsequent actual benchmark, or total employment count. The differences may occur for several reasons. Firms participating in the sample may have had different employment characteristics compared with those not participating. For example, employment in sample firms may be contracting at a slower rate than employment in key non-sample firms. In addition, the estimates are affected by sample variations caused by changes in the number of firms reporting in a particular industrial classification each month. This is due primarily to the voluntary aspects of employer participation in the survey.

Differences may also arise due to sample reporter delinquency, especially of key reporters, which may cause unrepresentative estimates. Responses from late reporters may yield trends different from estimates derived from employers reporting on a timely basis.

The estimates may also be affected by changes in the industrial classification of individual establishments, normally made to the original estimates during the annual benchmark revision process. A change in the industrial classification of a firm is made when a shift occurs in the primary product line.

Another reason is that the current sampling structure may fail to capture part of the increase in employment resulting from the "birth" of new firms. Although not as pronounced now as in the expansion portion of the business cycle, this phenomenon can occur at any time that a particular industry is expanding. Lastly, differences may result from improvements in benchmark source data.

The benchmark for all industry categories is based primarily upon tabulations of data on employment and wages received from New Jersey Unemployment Insurance (UI) program employer reports, which accounted for 98.2% of the employment base for the 1990 benchmark. The totals are further supplemented by periodic surveys of em-

ployment at establishments not covered by UI, such as religious institutions and social service agencies. Information on insurance agents and railroad transportation employees, who are also excluded from UI coverage, is extracted from other data sources.

After the benchmark for an industry has been established, the original estimates are compared with the benchmark and adjusted as needed. Most employment series are adjusted by "wedging" back the differences over the time period either from the new benchmark to the preceding one or from the time the trend divergence occurred. A wedge is a set of equal monthly adjustments that tapers out the difference between the March benchmark and the estimate. The wedging of data, or smoothing of the benchmark adjustment, represents, therefore, only an approximation of the actual economic trend. Alternatively, estimates may be revised by the substitution of adjusted UI covered employment data. This year statewide estimates were revised back to 1986 due to major industrial classification code changes and incorrect data reporting in UI covered employment in both the goods producing and service producing sectors.

STATEWIDE REVIEW

Analysis of the 1990 benchmark for total nonfarm wage and salary employment required that the original March 1990 estimate be revised downward by 1.0%, or 35,800. From 1981 through 1990, downward revisions were made in six years and upward revisions were made in four. In 1990, employment overestimates occurred mostly in the goods-p[illegible]g sector requiring downward revision of 35,[illegible] (4.4%) while the service-producing sector required a downward revision of only 800.

Within the goods-producing sector, employment in manufacturing was overestimated by 5.1% and required a downward revision of 32,700. This adjustment was primarily caused by the failure of the sample to adequately capture the extent of the decline in manufacturing employment in the second half of 1989. While the state's factory jobs have decreased since 1984, the revised data for 1989 indicate that the decline accelerated sharply, especially in durable goods – similar to the serious national job loss in manufacturing prior to the 1990 recession. Within manufacturing, durable goods' employment required a downward revision of 23,500 (8.2%) and nondurable goods a downward revision of 9,200 (2.6%).

In the durable goods industries, the largest overestimate 10,200 (16.5%) occurred in the electronic equipment industries primarily as a result of the reclassification of 6,900 employees of a major employer to various industries related to communications. Industrial machinery had the next largest overestimate, 3,200 (6.1%) as the result of the effects of industrial classification code changes and the sample's failure to capture employment declines during the latter part of 1989. Fabricated metals and miscellaneous manufacturing employment required a downward revision of 3,000 each resulting from the sample's inadequacy to fully capture employment declines in fabricated metals while industrial classification code changes were primarily responsible for the overestimate in miscellaneous manufacturing.

The most significant overestimates in nondurable goods were found in the apparel and printing and publishing industries, which were revised downward by 13.6% or 5,000, and 3.9% or 2,600, respectively. the overestimate in the apparel industry resulted from the failure of the sample to reflect the industry's employment decline, especially in the fourth quarter of 1989. An unrepresentative sample and industrial classification code changes were responsible for the downward revision to printing and publishing.

Employment in the construction industry was overestimated by 1.5% and required a downward revision of 2,200. This adjustment was primarily caused by the industrial reclassification of establishments in the special trade industries that were not identified until the new benchmark was determined.

Within the service-producing sector, employment was overestimated in two divisions and underestimated in three. The largest overestimate occurred in trade; the services subsector had the largest underestimate.

Employment in wholesale/retail trade was adjusted downward by 9,800 or 1.1%. Overestimates in miscellaneous retail stores, general merchandise, and furniture establishments were the primary industries affected. The primary cause was significant industrial classification code changes brought about by a recently completed survey of retail establishments and the sample's failure to sufficiently capture the seasonal decline from December 1989 to January 1990.

Services subsector employment was adjusted upward by 10,100 or 1.0%. Industrial classification code changes in business services and employ-

ment underestimates in the health services were largely responsible.

LABOR AREA REVIEW

Total nonagricultural employment was overestimated in six of New Jersey's ten labor areas. The Newark and Bergen Labor Areas accounted for the largest downward revisions of 36,500 (3.7%) and 10,700 (2.3%), respectively. Underestimates in four labor areas were led by the Middlesex-Somerset-Hunterdon and Trenton Labor Areas requiring upward adjustments of 6,500 (1.2%) and 1,400 (0.7%), respectively.

REPROJECTION OF DATA FROM APRIL TO DECEMBER 1990

Revisions for 1990 also utilized employment data reported under the state's Unemployment Insurance program for April, May and June of 1990. Incorporating the UI data for this additional quarter into the estimating procedure improves the accuracy of the 1990 and 1991 estimates and will reduce the magnitude of revisions next year. The use of second-quarter UI data showed that the June estimate was revised downward by 53,800 or 1.4%.

The March benchmark together with UI covered employment data for the second quarter of 1990 established the level from which to project revised industry estimates for the remaining six months of 1990, based on recalculations from a sample complete with delinquent reports. After reprojecting for this more current period, New Jersey's statewide nonagricultural employment estimate for December 1990 was revised downward by 49,100 or 1.3% from the original estimate (see table 4).

Analysis of the December 1990 revisions showed that employment in the private-service producing sector was overestimated and was consequently revised downward by 24,000 or 1.0%. The most significant downward revisions occurred in the trade industries which was downwardly adjusted by 15,900 or 1.7%. Again, better information revealed lower estimates than the original monthly figures suggested.

The original December 1990 employment estimate for the goods-producing sector was overestimated, requiring a downward revision of 20,300 or 2.6%. Manufacturing required a downward adjustment of 31,800 or 5.2%, with the durable and nondurable goods categories registering respective downward revisions of 22,000 or 8.1% and 9,800 or 2.8%. Construction was adjusted downward by 4,700 or 3.2%.

FUTURE PLANS

During 1991, the Division of Labor Market and Demographic Research plans to undertake sample expansion on a broad basis and selectively solicit those industries identified as needing sample-size improvements.

Table 1
EMPLOYMENT REVISIONS FOR NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT FOR 1981 TO 1990

Year	March Original Estimate (000)	Benchmark (000)	Difference (000)	Percent Change from Estimate to Benchmark
1981	3039.0	3036.7	- 2.3	- 0.1
1982	3037.6	3037.2	- 0.4	0.0*
1983	3032.5	3061.4	+28.9	+ 1.0
1984	3191.8	3236.0	+44.2	+ 1.4
1985	3367.7	3343.5	-24.2	- 0.7
1986	3443.5	3416.6	-26.9	- 0.8
1987	3506.9	3519.2	+12.3	+ 0.4
1988	3612.0	3594.8	-17.2	- 0.5
1989	3636.6	3675.1	+38.5	+ 1.1
1990	3686.5	3650.7	-35.8	- 1.0

* Less than one-tenth of one percent

Table 2
EMPLOYMENT BY INDUSTRY
ORIGINAL ESTIMATE AND BENCHMARK COMPARED
MARCH 1990 FOR NEW JERSEY

	Employment (000)		Change from Estimate to Benchmark	
	Estimate	Benchmark	No. (000)	Percent
Total Nonagricultural	3686.5	3650.7	-35.8	- 1.0
Total Goods Producing	790.5	755.5	-35.0	- 4.4
Manufacturing	639.8	607.1	-32.7	- 5.1
Durable Goods	288.0	264.5	-23.5	- 8.2
Lumber/Wood Products	5.9	5.0	- 0.9	-15.3
Furniture	9.0	9.0	0	0
Stone/Clay/Glass	21.7	21.9	+ 0.2	+ 0.9
Primary Metals	17.5	16.5	- 1.0	- 5.7
Fabricated Metals	43.9	40.9	- 3.0	- 6.8
Nonelectrical Machinery	52.7	49.5	- 3.2	- 6.1
Electrical Machinery	62.0	51.8	-10.2	-16.5
Transportation Equip.	11.7	11.3	- 0.4	- 3.4
Instruments	42.8	41.0	- 1.8	- 4.2
Misc. Manufacturing	20.6	17.6	- 3.0	-14.6
Nondurable Goods	351.8	342.6	- 9.2	- 2.6
Food	45.7	45.8	+ 0.1	+ 0.2
Tobacco	0.1	0.1	0	0
Textiles	12.9	12.1	- 0.8	- 6.2
Apparel	36.8	31.8	- 5.0	-13.6
Paper Products	26.3	26.1	- 0.2	- 0.8
Printing/Publishing	67.1	64.5	- 2.6	- 3.9
Chemicals	119.4	119.1	- 0.3	- 0.3
Petroleum	8.4	8.4	0	0
Rubber/Plastics	32.4	31.7	- 0.7	- 2.2
Leather	2.7	3.0	- 0.3	-11.1
Construction	148.3	146.1	- 2.2	- 1.5
Mining	2.4	2.3	- 0.1	- 4.2
Total Service Producing	2896.0	2895.2	- 0.8	0.0
Private-Sector Service Prod.	2324.2	2321.0	- 3.2	- 0.1
Trans./Comm./Elec./Gas/ Sanitary Service	242.5	238.3	- 4.2	- 1.7
Wholesale/Retail Trade	875.3	865.5	- 9.8	- 1.1
Fin./Ins./Real Estate	240.4	241.1	+ 0.7	+ 0.3
Services	966.0	976.1	+10.1	+ 1.0
Government	571.8	574.2	+ 2.4	+ 0.4
Federal	80.0	79.5	- 0.5	- 0.6
State	126.3	126.3	0	0
Local	365.5	368.4	+ 2.9	+ 0.8

Aggregates may not add because of rounding.

Table 3
EMPLOYMENT BY LABOR AREA
ORIGINAL ESTIMATE AND BENCHMARK COMPARED
MARCH 1990

Labor Areas (Counties)	Employment (000) Estimate	Employment (000) Benchmark	Change from Estimate to Benchmark No. (000)	Change from Estimate to Benchmark Percent
Atlantic City MSA (Atlantic & Cape May Counties)	168.3	169.9	+ 1.6	+ 1.0
Bergen LMA (Bergen County)	469.2	458.5	-10.7	- 2.3
Camden LMA (Burlington, Camden & Gloucester Counties)	454.8	447.9	- 6.9	- 1.5
Jersey City PMSA (Hudson County)	250.2	246.6	- 3.6	- 1.4
Middlesex-Somerset-Hunterdon PMSA (Middlesex, Somerset & Hunterdon Counties)	539.8	546.3	+ 6.5	+ 1.2
Monmouth-Ocean PMSA (Monmouth & Ocean Counties)	332.8	327.8	- 5.0	- 1.5
Newark PMSA (Essex, Morris, Sussex & Union Counties)	978.1	941.6	-36.5	- 3.7
Passaic LMA (Passaic County)	202.3	197.3	- 5.0	- 2.5
Trenton PMSA (Mercer County)	198.6	200.0	+ 1.4	+ 0.7
Vineland-Millville-Bridgeton PMSA (Cumberland County)	58.4	58.9	+ 0.5	+ 0.9

NOTE: LMA=Labor Market Area
MSA=Metropolitan Statistical Area
PMSA=Primary Metropolitan Statistical Area

Table 4
THE ORIGINAL AND REVISED SERIES OF NEW JERSEY NONAGRICULTURAL EMPLOYMENT
(In Thousands; Not Seasonally Adjusted)

	1986		1987		1988	
	Original	Revised	Original	Revised	Original	Revised
Jan	3382.3	3382.3	3483.5	3480.6	3544.2	3539.7
Feb	3382.4	3382.4	3479.1	3476.4	3554.7	3550.0
Mar	3415.6	3415.6	3517.3	3514.6	3594.1	3589.9
Apr	3457.1	3456.5	3554.5	3548.6	3632.0	3623.8
May	3480.4	3479.6	3574.4	3568.9	3650.9	3643.0
Jun	3524.2	3522.7	3626.4	3620.9	3709.5	3701.3
Jul	3539.5	3537.7	3629.3	3623.4	3708.9	3698.1
Aug	3533.9	3531.6	3624.2	3618.6	3704.4	3693.2
Sep	3511.6	3508.9	3599.3	3592.5	3683.8	3673.4
Oct	3547.9	3544.6	3622.1	3614.8	3690.8	3679.8
Nov	3550.4	3546.7	3630.8	3623.5	3713.9	3703.6
Dec	3553.0	3548.8	3638.7	3632.8	3727.3	3716.2
Annual Average	3489.9	3488.1	3581.6	3576.3	3659.5	3651.0

	1989		1990	
	Original	Revised	Original	Revised
Jan	3638.2	3634.4	3661.6	3615.5
Feb	3646.0	3641.3	3664.3	3620.2
Mar	3675.1	3670.9	3686.5	3650.7
Apr	3685.8	3672.0	3711.8	3647.5
May	3704.3	3688.8	3734.5	3676.6
Jun	3760.9	3744.3	3779.2	3725.4
Jul	3741.8	3720.2	3754.3	3698.7
Aug	3725.4	3710.1	3743.1	3690.6
Sep	3719.1	3706.5	3715.4	3664.0
Oct	3724.7	3689.5	3714.8	3665.6
Nov	3741.3	3697.3	3712.7	3665.2
Dec	3754.9	3701.9	3714.4	3665.3
Annual Average	3709.8	3689.8	3716.1	3665.4

Table 5
EMPLOYMENT IN NEW JERSEY BY INDUSTRY DIVISION
COMPARISON OF THE ORIGINAL AND REVISED ANNUAL AVERAGES
FOR THE YEARS 1986 THROUGH 1990
(Not Seasonally Adjusted)

	Employment (000)			Changed from Original to Revised	
			1986		
	Original	Revised		No. (000)	Percent
Total Nonagricultural	3489.9	3488.1		- 1.8	- 0.1
Manufacturing	690.5	689.7		- 0.8	- 0.1
Construction	153.4	153.1		- 0.3	- 0.2
Mining	2.1	2.1		0.0	0.0
Trans./Comm./Elec./Gas/Sanit. Services	231.2	231.6		+ 0.4	+ 0.2
Wholesale/Retail Trade	834.2	832.8		- 1.4	- 0.2
Fin./Ins./Real Estate	210.8	210.8		0.0	0.0
Services	832.1	832.4		+ 0.3	0.0
Government	535.6	535.6		0.0	0.0
			1987		
Total Nonagricultural	3581.6	3576.3		- 5.3	- 0.1
Manufacturing	675.4	672.2		- 3.2	- 0.5
Construction	164.4	163.4		- 1.0	- 0.6
Mining	2.3	2.3		0.0	0.0
Trans./Comm./Elec./Gas/Sanit. Services	237.6	239.0		+ 1.4	+ 0.6
Wholesale/Retail Trade	862.0	858.3		- 3.7	- 0.4
Fin./Ins./Real Estate	226.8	226.8		0.0	0.0
Services	871.4	872.6		+ 1.2	+ 0.1
Government	541.8	541.8		0.0	0.0
			1988		
Total Nonagricultural	3659.5	3651.0		- 8.5	- 0.2
Manufacturing	666.3	662.1		- 4.2	- 0.6
Construction	170.5	168.2		- 2.3	- 1.3
Mining	2.4	2.4		0.0	0.0
Trans./Comm./Elec./Gas/Sanit. Services	239.9	242.4		+ 2.5	+ 1.0
Wholesale/Retail Trade	882.4	875.4		- 7.0	- 0.8
Fin./Ins./Real Estate	236.1	235.9		- 0.2	- 0.1
Services	911.1	913.6		+ 2.5	+ 0.3
Government	550.9	550.9		0.0	0.0
			1989		
Total Nonagricultural	3709.8	3689.8		-20.0	- 0.5
Manufacturing	653.5	639.6		-13.9	- 2.1
Construction	167.5	164.3		- 3.2	- 1.9
Mining	2.5	2.5		0.0	0.0
Trans./Comm./Elec./Gas/Sanit. Services	241.9	240.9		- 1.0	- 0.4
Wholesale/Retail Trade	891.2	887.1		- 4.1	- 0.5
Fin./Ins./Real Estate	242.7	241.7		- 1.0	- 0.4
Services	951.7	954.7		+ 3.0	+ 0.3
Government	558.8	559.0		+ 0.2	0.0
			1990		
Total Nonagricultural	3716.1	3665.4		-50.7	- 1.4
Manufacturing	634.0	599.6		-34.4	- 5.4
Construction	153.6	148.4		- 5.2	- 3.4
Mining	2.4	2.4		0.0	0.0
Trans./Comm./Elec./Gas/Sanit. Services	242.7	237.4		- 5.3	- 2.2
Wholesale/Retail Trade	892.8	877.3		-15.5	- 1.7
Fin./Ins./Real Estate	241.3	240.0		- 1.3	- 0.5
Services	980.5	988.7		+ 8.2	+ 0.8
Government	568.7	571.8		+ 3.1	+ 0.5

New Jersey Business Births and Deaths By Industry Sector: 1980-1988

By
Robert Vaden
Division of Labor Market and Demographic Research

INTRODUCTION

New firms or "business births" play a crucial role in the State's economy. Business births, as well as creating new jobs and generating income, provide replacements for thousands of firms which fail or go out-of-business each year. In addition, the level of new-firm activity serves as a barometer of the confidence and entrepreneurial spirit in a state or regional economy. Of course, the net impact of business birth activity can only be measured after deducting the number of business failures.

A summary of business birth and business failure activity in the State was presented in an **Economic Indicators** article titled *"Highlights of New Jersey Business Birth Activity in the 1980s"* which was published in January. This article compliments the earlier article by presenting a summary of birth and death activity by major industry sector. Although this article focuses on birth and death activity in the 1980s, results of a previous study covering the 1975-1979 period are also discussed where appropriate.

A technical definition of business births and deaths, as well as a description of the source for identifying births and deaths, is provided at the end of this article.

HIGHLIGHTS OF STATE BIRTH AND DEATH ACTIVITY

In order to provide a framework for evaluating birth and death activity in the various industry sectors, highlights of the findings at the aggregate level are presented. During the 1980-1988 study period, an average 20,200 firms started operations in the State. However, the data indicate that birth and death activity is quite sensitive to the business cycle.

Birth and failure activity was highest in the mid to latter part of the 1980-1988 study period. The number of business births peaked at 24,730 in 1987 but the largest year-to-year increase occurred from 1983 to 1984 when the number of new firms jumped by approximately 14%. In fact, 1984 was a year of exceptional economic growth for New Jersey. For example, nonfarm payroll employment increased by 5.2%, a rate double the increase of any other year in the study period. The data suggest that the high level of business birth activity in 1984 was simply part of an overall strong economy that year in New Jersey.

Approximately 14,600 firms a year failed, on average, over the 1982-to-1988 period. Failures were highest, at 16,810, at the height of the expansion in 1986. Our findings indicate that, for the period studied, failures tend to increase as the expansion lengthens simply because the larger number of births earlier in the expansion creates a pool of vulnerable firms. The birth and death data together suggest that approximately two-thirds of the business births in a given year represent "replacements" for firms which have failed while the remaining third represent a net addition to the State's economic base.

Employment generated by new firms, which has fluctuated in a range of 2% to 3% of total private sector employment, is critical to the economic

well being of the State in the longer run. Our data suggests, at any point in time, an estimated 20% to 25% of New Jersey's private sector employment originates in firms which have come into existence in the past ten years.

HIGHLIGHTS OF BIRTH AND FAILURE ACTIVITY: BY INDUSTRY SECTOR

Birth and death data by industry are summarized in Tables 1 through 3. Table 1 shows business births by industry and the number of births per 1,000 firms for the 1980-1988 period. Table 2 provides similar data for business failures or business deaths, except that data for failures are provided for the 1982-1988 period since comparable data on failures are not available for 1980 and 1981. Table 3 provides employment created by new firms by industry sector for the 1980-1988 period.

Construction

Construction is the nation's and State's most volatile industry sector. This sector, more than any other, is influenced by changes in the business cycle, in interest rates, and household formation.

Over the 1980-to-1988 period, the number of new firms in this cyclically sensitive industry ranged from a low of 2,100 in the 1982 recession year to a high of 4,600 units in 1987. The number of new construction firms declined in 1981 and 1982 before increasing by a healthy 19.3% in 1983 as the State and nation emerged from the 1980 and 1982 recessions. Within the 1982-1987 period, the number of new construction firms rose steadily each year, before reaching a high of 4,630 in 1987. Underscoring the State's extraordinary construction boom in the 1980s, new-firm activity exploded from 2,740 in 1983 to 3,380 in 1984, an increase of 37% which turned out to be the largest year-to-year increase in either the 1980-1988 study period or the earlier 1975-1979 period. At the peak of the building boom in 1987, new construction firms accounted for almost 19% of total business births. Construction births per 1,000 firms also grew rapidly, increasing from a 1982 low of 154 to a 1986 high of 237. Failures in the construction industry peaked at 2,520 in 1987 after increasing steadily from a low of 1,930 in 1984.

Similar to the 1980-1988 period, business birth activity varied significantly in the 1975-1979 period. During the earlier period, construction births ranged from a low of 1,927 in 1975, a recession year, to a high of 2,965 in 1978. In fact, the 1975 figure was the smallest number of construction births tabulated over the 1975-1988 period.

Not surprisingly, new-firm employment in construction, like new-firm activity, fluctuated widely over the decade, ranging from a low of 4,300 in 1981 to a high of almost 11,000 in 1987. Employment attributable to new construction firms showed declines in 1981 and 1982, followed by extremely fast growth in 1983 and 1984, and more moderate growth in the subsequent years. New-firm employment in construction, like new-firm activity, fluctuated widely over the decade, ranging from a low of 4,300 in 1981 to a peak of almost 11,000 in 1987. New construction firms accounted for almost 10% of total construction employment at peak years in the building cycle, much higher than the 2% to 3% of total employment which new firms, overall, typically comprise.

Manufacturing

The decline in New Jersey's manufacturing employment in the 1980s is well documented. An analysis of the birth and failure activity for manufacturing firms also indicates a troubled sector in the State.

Even in better times, business birth and business failure activity in manufacturing tends to be low simply because economies of scale often create substantial barriers to entry (and exit). However, the data indicate that in the 1980s, business births were effectively equal to business failures. From 1982 to 1988, the average number of business births (890) barely exceeded the average number of business failures (880). Furthermore, in three of the last four years studied, the number of business failures exceeded the number of business births. Given the definition of a business failure, which is a cessation of all company operations and not just plant or branch closings in the State, manufacturing's performance is particularly disturbing.

The number of new manufacturing firms peaked in 1984 when 970 manufacturing firms started operations in the State. The previous high for manufacturing business births occurred in 1978 when 935 new manufacturing firms started operations. In fact, over the three year 1984-1986 period, manufacturing births averaged 940 a year, an average higher than the previous one year high. The 1984 high also represents, with a 9% increase from its 1983 level, the largest year-to-year increase in new-firm activity in this industry sec-

TABLE 1
NEW JERSEY BUSINESS BIRTHS
BY INDUSTRY SECTOR
1980-1988

INDUSTRY SECTOR	1980	1981	1982	1983	1984	1985	1986	1987	1988	AVERAGE 1980-1988	AVERAGE 1982-1988
MINING & AGRICULTURE	400	370	370	430	510	530	660	660	600	500	540
CONSTRUCTION	2,230	2,190	2,070	2,470	3,380	3,740	4,220	4,630	3,990	3,210	3,500
MANUFACTURING	860	900	860	890	970	900	950	870	820	890	890
TRANSPORTATION	740	810	770	780	960	1,040	980	1,080	980	900	940
COMMUNICATION & UTILITIES	60	50	50	80	70	60	100	100	90	70	80
WHOLESALE TRADE	1,720	1,820	1,900	1,840	2,080	2,170	2,260	2,180	2,150	2,010	2,080
RETAIL TRADE	3,220	3,150	3,390	3,600	3,640	3,780	4,090	4,120	4,000	3,670	3,800
FINANCE, INSURANCE & REAL ESTATE	950	980	900	1,040	1,170	1,290	1,550	1,560	1,370	1,200	1,270
SERVICES	4,850	5,370	5,710	5,760	6,470	6,530	6,990	7,320	6,730	6,190	6,500
OTHER*	900	760	970	1,310	1,520	1,850	1,740	2,210	2,290	1,510	1,700
TOTAL	15,930	16,400	16,990	18,200	20,770	21,890	23,540	24,730	23,020	20,160	21,310

BUSINESS BIRTHS PER 1,000 FIRMS
BY INDUSTRY SECTOR
1980-1988

INDUSTRY SECTOR	1980	1981	1982	1983	1984	1985	1986	1987	1988	AVERAGE 1980-1988	AVERAGE 1982-1988
MINING & AGRICULTURE	144	132	129	142	160	154	183	173	152	153	158
CONSTRUCTION	155	158	154	175	223	226	237	233	190	198	208
MANUFACTURING	61	65	62	65	72	66	72	67	63	66	67
TRANSPORTATION	126	139	131	129	155	164	152	162	142	144	148
COMMUNICATION & UTILITIES	65	54	53	84	65	58	100	97	85	71	79
WHOLESALE TRADE	123	126	124	115	124	131	131	123	116	123	123
RETAIL TRADE	83	83	91	95	97	99	107	105	102	96	99
FINANCE, INSURANCE & REAL ESTATE	81	83	76	86	96	103	121	118	100	96	100
SERVICES	111	120	124	119	128	124	128	129	115	122	124
OTHER*	238	197	334	427	389	437	487	572	532	406	460
TOTAL	106	109	113	117	130	133	140	141	128	125	129

*REPRESENTS FIRMS WHICH HAVE NOT BEEN CLASSIFIED INTO A SPECIFIC SIC (STANDARD INDUSTRIAL CLASSIFICATION) CODE.

SOURCE: NEW JERSEY DEPARTMENT OF LABOR
DIVISION OF LABOR MARKET AND DEMOGRAPHIC RESEARCH AND
DIVISION OF UNEMPLOYMENT INSURANCE

TABLE 2
NEW JERSEY BUSINESS FAILURES
BY INDUSTRY SECTOR
1982–1988

INDUSTRY SECTOR	1982	1983	1984	1985	1986	1987	1988	AVERAGE
MINING & AGRICULTURE	330	270	300	310	440	410	340	340
CONSTRUCTION	2,140	1,970	1,930	2,200	2,420	2,520	2,400	2,230
MANUFACTURING	860	790	850	930	1,030	840	880	880
TRANSPORTATION	700	670	710	800	810	750	680	730
COMMUNICATION & UTILITIES	40	40	60	60	80	60	60	60
WHOLESALE TRADE	1,300	1,390	1,360	1,530	1,740	1,620	1,590	1,500
RETAIL TRADE	3,180	2,970	3,110	3,360	3,590	3,140	3,030	3,200
FINANCE, INSURANCE & REAL ESTATE	890	900	850	940	1,160	920	1,050	960
SERVICES	3,780	3,550	3,630	4,000	4,810	4,210	4,050	4,010
OTHER*	440	580	690	650	730	780	640	640
TOTAL	13,660	13,130	13,490	14,780	16,810	15,250	14,720	14,550

BUSINESS FAILURES PER 1,000 FIRMS
BY INDUSTRY SECTOR
1982–1988

INDUSTRY SECTOR	1982	1983	1984	1985	1986	1987	1988	AVERAGE
MINING & AGRICULTURE	115	89	94	90	122	107	86	100
CONSTRUCTION	159	140	127	133	136	127	114	132
MANUFACTURING	62	58	63	69	78	65	68	66
TRANSPORTATION	119	111	115	126	125	113	99	115
COMMUNICATION & UTILITIES	43	42	56	58	80	58	57	59
WHOLESALE TRADE	85	87	81	92	101	91	86	89
RETAIL TRADE	85	78	83	88	94	80	77	84
FINANCE, INSURANCE & REAL ESTATE	75	74	69	75	91	69	76	76
SERVICES	82	73	72	76	88	74	69	76
OTHER*	152	189	177	154	204	202	149	173
TOTAL	91	85	84	90	100	87	82	88

*REPRESENTS FIRMS WHICH HAVE NOT BEEN CLASSIFIED INTO A SPECIFIC SIC (STANDARD INDUSTRIAL CLASSIFICATION) CODE.

SOURCE: NEW JERSEY DEPARTMENT OF LABOR
DIVISION OF LABOR MARKET AND DEMOGRAPHIC RESEARCH AND
DIVISION OF UNEMPLOYMENT INSURANCE

TABLE 3
NEW JERSEY BUSINESS BIRTH EMPLOYMENT
BY INDUSTRY SECTOR
1980-1988

INDUSTRY SECTOR	1980	1981	1982	1983	1984	1985	1986	1987	1988	AVERAGE 1980-1988	AVERAGE 1982-1988
MINING & AGRICULTURE	610	360	410	470	550	650	800	860	890	620	660
CONSTRUCTION	5,290	4,300	4,530	5,570	7,020	8,860	9,580	10,760	9,070	7,220	7,910
MANUFACTURING	9,170	11,980	12,050	10,760	8,030	7,300	8,220	8,440	8,660	9,400	9,070
TRANSPORTATION	2,330	3,160	3,350	3,350	3,800	3,610	3,080	4,250	3,370	3,370	3,550
COMMUNICATION & UTILITIES	240	240	450	580	210	320	380	400	610	380	420
WHOLESALE TRADE	4,920	5,050	4,940	5,330	5,410	5,690	7,000	5,820	7,950	5,790	6,020
RETAIL TRADE	14,310	10,430	12,460	14,550	13,040	13,490	17,710	16,570	21,710	14,919	15,650
FINANCE, INSURANCE & REAL ESTATE	2,410	2,270	2,240	2,730	3,370	3,490	3,940	5,450	3,760	3,300	3,570
SERVICES	12,870	15,520	13,200	16,540	21,680	20,130	21,550	24,000	21,740	18,580	19,840
OTHER*	1,780	950	1,340	3,380	2,170	5,710	2,480	6,330	5,710	3,320	3,870
TOTAL	53,930	54,260	54,970	63,260	65,280	69,250	74,740	82,880	83,470	66,899	70,560

*REPRESENTS FIRMS WHICH HAVE NOT BEEN CLASSIFIED INTO A SPECIFIC SIC (STANDARD INDUSTRIAL CLASSIFICATION) CODE.

SOURCE: NEW JERSEY DEPARTMENT OF LABOR
DIVISION OF LABOR MARKET AND DEMOGRAPHIC RESEARCH AND
DIVISION OF UNEMPLOYMENT INSURANCE

tor. Interestingly, 1984 was the only year in the decade during which total factory jobs in the State increased. The low point for manufacturing business births occurred in 1988, at the tail end of the study period, when only 820 new manufacturing firms commenced operations.

At the two-digit industry level, based on a review of detailed data over the 1985-to-1988 period, manufacturing birth and death activity was dominated by the apparel and printing and publishing industries. During this period, these two industries, together, accounted for, on average, over 43% of manufacturing births and over 38% of all manufacturing failures. However, there was a marked difference in the performance of these two industries. Printing and publishing, a growing industry over the 1985-1988 period, averaged almost 230 births per year while failures averaged 150. Within printing and publishing, new-firm activity was dominated by commercial printing. Apparel, a declining industry, averaged only 150 births per year and almost 205 failures.

Employment originating in new manufacturing firms also declined dramatically in the second half of the 1980-1988 period. In the first four years of the nine-year period, new manufacturing firms created an average of 11,000 new jobs per year. Over the last five years of the period, new manufacturing firms created an average of only 8,100 new jobs per year, a figure in line with new-firm manufacturing jobs in the earlier 1975-1979 period.

Transportation

Transportation, though relatively small, is one of the more active sectors in business birth and business failure activity as measured by births and deaths per 1,000 firms. From 1982 to 1988, business births averaged over 148 new firms per 1,000 while failures averaged 115 per 1,000 firms. Both births and deaths per 1,000 firms were well above the overall state average. In fact, transportation and construction were the only two industry sectors in the 1982-to-1988 period in which the average number of births and deaths per 1,000 exceeded 100.

Over the 1982-to-1988 period, business births in the overall transportation sector averaged 940 per year compared to only 730 failures per year. Largely because of trucking and warehousing–an industry sector with few barriers to entry and exit and which accounted for approximately 60% of all birth and failure activity–transportation is one of the State's more cyclically sensitive industry sectors. The level of business birth activity ranged from a 16% decline and a 5% decline in the 1980 and 1982 recession years, respectively, to a robust 23% increase in the 1984 boom year. Business births in transportation reached a high of 1,080 in 1987 while failures reached a high of 810 in 1986. This pattern of cyclical increases and decreases in transportation birth activity corresponds to the pattern found during the 1975-1979 period.

Employment created by new transportation firms peaked at 4,250 in 1987, surpassing the previous 1984 high of 3,800. For the 1980-1988 period, transportation births created an average of 3,370 new jobs per year, compared to 2,310 in the earlier 1975-1979 period.

Communications and Utilities

Communications and utilities is the State's least active industry sector in birth and death activity. Like manufacturing, the structure of the industry–large firms in the communications industry and large, regulated utilities–dictates low levels of both new firm and business failure activity. Over the 1982-1988 period, an average of only 80 new firms started operations each year while, on average, approximately 60 firms failed each year.

Birth and death activity in this industry sector is oncentrated in radiotelephone, cable television (and other pay television services), and sanitary services. These industries account for over half of the sector's total new-firm activity. Even though the level of new-firm activity has increased in recent years, the level is still very low compared to most other industry sectors. Technological progress, such as the introduction of radiotelephones, is in part responsible for the higher level of business birth activity.

A modest 380 new jobs were created by births from 1980-1988 compared with only 160 over the prior 1975-1979 period.

Wholesale Trade

Measured by total employment growth, wholesale trade has long been one of New Jersey's more stable and healthier industry sectors. Over the full 1975-1988 period for which business birth data are available, new firm activity in wholesale trade has generally exhibited moderate but steady growth.

Over the more recent 1980-1988 period, busi-

ness births in wholesale trade ranged from a 1980 low of 1,720 to a 1986 high of 2,260. Moderate declines occurred in 1983 and again in 1988. Year-to-year fluctuations, however, have tended to be small just like in the earlier 1975-1979 period.

Failures in the 1982-1988 period averaged 1,500 a year and ranged from a low of 1,300 in 1982 to a high of 1,740 in 1986. In 1986, failures per 1,000 firms, at 106, also reached its apex.

Over the last four years of the study period, 1985-1988, new firms created an average of just over 6,600 new jobs in wholesale trade, compared to only 5,130 over the 1980-1984 period. In the earlier 1975-1979 period, new-firm employment in wholesale trade jumped dramatically from 3,520 in 1975 to 4,500 in 1976, as the State emerged from the 1974/1975 recession. New-firm employment in wholesale trade tended to be rather stable for the duration of the 1976-1979 period.

Retail Trade

Retail trade ranks only behind the service sector as a source of new business enterprises. An average of 3,670 new retail trade firms started operations each year over the 1980-to-1988 period, compared to just under 6,200 in the service sector. Somewhat surprisingly, the level of new-firm retail trade activity in this period was, on average, only equal to that of the 1975-1979 period when 3,630 new firms started operations each year. An analysis of business births in retail trade for selected years indicates that approximately 30% of the births in this industry sector are in eating and drinking places, an industry which is dominated by smaller firms with few major barriers to entry.

The number of retail trade births declined sharply from 3,580 in 1979 to 3,220 in 1980, a recession year. In fact, the 1979 level was not reached again until 1983, a recovery year following the 1982 recession. Except for a slight decline in 1988, the number of new firms in retail trade, starting in 1981, has increased each year. Unlike most other industry sectors, the number of business births remained stable in 1984 despite the large 1983-1984 increase in State retail sales. The big increase in retail trade births came in 1986 when the number of new firms increased by 8.2% and exceeded 4,000 for the first time. Interestingly, 1986 also witnessed the largest year-to-year increase in State retail sales in the 1980-1988 period. Still, the overall correlation between year-to-year growth in business births and retail sales has been weak.

Failures in retail trade averaged 84 per 1,000 firms, slightly less than New Jersey's overall average. Failures declined in 1983 and 1984 following the 1982 recession before increasing in 1985. Both failures and births reached highs in 1986.

New-firm employment in retail trade, like the number of new firms, lags only the service sector. New firms in retail trade created, on average, almost 15,000 jobs per year over the 1980-1988 period, ranging from a 1981 low of 10,430 in the middle of the recessionary 1980-1982 period to a 1988 high of 21,710. Prior to 1981, new-firm employment in retail trade often exceeded new-firm employment in the service sector. However, starting in 1981, birth employment in retail trade has lagged birth employment in the service sector, often by a wide margin.

Finance/Insurance/Real Estate

This industry sector is marked by low levels of business birth and business failure activity. An average of 1,200 firms started operations in this industry sector over the 1980-to-1988 period, compared to only 875 per year over the 1975-to-1979 period. New-firm activity peaked in 1986 and 1987 when 1,550 and 1,560 firms, respectively, started operations. The smallest number of births in the 1980-1988 period occurred in the 1982 recession year when only 900 new firms started operations. An average of 960 firms failed each year from 1982-to-1988.

Measured in births and deaths per 1,000 firms, finance/insurance/real estate tends to have lower levels of birth and death activity--approximately 100 births per 1,000 firms and 76 failures, a rate well beneath the statewide averages of 129 and 88, respectively. In fact, only manufacturing and communications/utilities have lower rates.

The presence of banks and related depository institutions helps to explain the lower level of birth and death activity in this industry sector. Despite the deregulation of the financial services industry, there still exists legal barriers to entry in banking which restrict the number of new entrants. The failure rate of depository institutions, although reaching post-depression highs in the nation in the 1980s and creating major news stories in the process, is still lower than the failure rate for most industries. Furthermore, through the study period, the New Jersey depository institutions have not been as impacted by the hard times which have plagued this industry nationally.

Birth and death activity in the finance/insurance/real estate industry was concentrated in the real estate component of the industry. A detailed analysis of birth and death data for 1985-1988 shows that 60% of all birth and death activity was in real estate.

Employment created by new firms in this industry sector, which averaged 3,300 over the 1980-1989 period, has varied widely, ranging from a 1987 high of 5,450 to a 1982 low of 2,240. Likewise, year-to-year employment changes have been large, with the biggest increases occurring in 1984 when new-firm employment increased by 22% and again in 1987 when there was an extremely large increase of 38%. Over the earlier 1975-1979 period new-firm employment in finance/insurance/real estate averaged a more modest 1,800 per year but again showed significant fluctuations which appear to be independent of overall cyclical movements.

Services

Business birth and business failure activity has been dominated by the service sector. The high level of birth and death activity in this industry sector reflects fast overall growth in services in general and relatively few barriers to entry. From 1980 to 1988, an average of 6,200 service firms--31% of the State's total average--started operations each year, far more than the 3,700 firms which started operations in retail trade, the second most active sector. Service sector birth activity peaked in 1987 with 7,320 starts. However, in 1984, there was the largest year-to-year increase (12.3%) as New Jersey's economy enjoyed its fastest employment growth in the decade. There was another large increase in 1981 when the number of new service sector starts jumped by 10%.

Business and business-related services--such as accounting, engineering, custodial, and data processing--and health services have dominated new-firm activity in the service industries. For example, business and health services, together, accounted for almost 60% of service industry new-firm activity in 1988.

Business birth activity in the earlier 1975-1979 period was also dominated by new-firm activity in the service sector. However, in the earlier period, new firms in the service sector were being created at a more moderate rate of 4,320 per year. The smaller number of service firms in the earlier period reflects a smaller overall economy and a smaller role for the service sector. During the 1975-1979 period, service sector births accounted for only 27% of all new firms compared, as mentioned, to 31% in the more recent period.

From 1982 to 1988, service sector failures averaged 4,000 per year. Failures peaked in both relative and absolute terms in 1986 when 4,810 (or 88 firms per 1,000) firms failed. The previous high, measured in business failures per 1,000 firms, came in 1982 when 82 firms failed for every 1,000.

Since 1981, when new-firm employment in the service sector surpassed new-firm employment in retail trade, the service sector has been the leading source of new-firm jobs. However, the number of new-firm service sector jobs varied significantly over the period, ranging from 12,870 and 13,200, respectively, in the 1980 and 1982 recession years, to a 1987 peak of 24,000. Almost 18,600 new-firm service sector jobs were created on average each year from 1980 to 1988. Over the prior 1975-1979 period, service sector business births created a much more modest average of 12,570 jobs per year.

SUMMARY AND CONCLUSIONS

1. The service and retail trade industry sectors have dominated business birth and business death activity in the study period. Over the 1980-1988 period, an average of 6,190 service firms and 3,670 retail trade firms started operations in New Jersey each year. Together, these two industry sectors accounted for roughly (49%) of all business birth activity. The two sectors also accounted for an identical share of business failures.

2. The construction industry has easily been the State's most cyclically sensitive sector in birth and death activity. Construction births ranged from a low of only 2,070 births in the 1982 recession to a 1987 high of 4,630. Measured in relative terms of business births per 1,000 firms, the number ranged from 154 in 1982 to 237 in 1986. For all years, births per 1,000 firms in construction were much higher than the State's overall average, indicating a high level of firm turnover. Business failures in construction were somewhat more stable although the failure rate, measured in failures per 1,000 firms, was much higher than the State's overall rate.

3. The birth and death data for manufacturing confirm the problems being experienced in

this industry sector. For the 1982-1988 period, the average number of births per year (890) has barely exceeded the number of failures per year (880). Given the administrative caveat that failures are identified at the company level and not the establishment level where plant closings frequently occur, the performance of manufacturing is especially troubling.

4. Retail trade and services, together, accounted for just under half of all new jobs created by new businesses. For the 1980-1988 period, new service firms created an average of 18,580 jobs each year compared to 14,900 jobs in retail trade. Since 1981, the service sector has been the leading source of new-firm jobs.

TECHNICAL DEFINITIONS AND DATA AVAILABILITY

An abbreviated description of the source for identifying business births and deaths as well as the technical definition of business births and deaths is given below. A more complete definition is given in the article cited earlier.

Source of Data: The birth and death data contained in this and related reports are taken from the Department of Labor's master file of employers covered by the New Jersey Unemployment Insurance program and the quarterly reports submitted by these employers. A detailed description of coverage under this program is contained in the Division of Labor Market and Demographic Research's annual publication, *Trends in Employment and Wages Covered by Unemployment Insurance 1989*, which is available from this Division.

Birth: A business birth is a new firm operating in the private sector which previously was not in operation in New Jersey. A previously established out-of-state firm which begins operations in New Jersey would be a business birth. However, expansion by an existing New Jersey firm, such as the opening of a new facility or establishment, would not be treated as a business birth. Likewise, a new business created as the result of the reorganization of one or more existing New Jersey firms would not be treated as a business birth. A firm becomes a business birth for administrative purposes when $1,000 in wages have been paid in the current or preceding calendar year.

Death: A business death or business failure is a firm (not a branch, facility, or establishment) which ceases all operations in New Jersey. A firm which engages in a partial shut down or contraction of operations is not a business failure. For example, a manufacturing firm which shuts down one of several facilities in New Jersey would not be tabulated as a business failure. A firm, however, which closes all operations in the State would be treated as a business failure even though the firm may continue to operate outside New Jersey.

A firm would be classified as a "death" based on information reported by the company, by the firm's quarterly contribution report being returned by the post office for two consecutive quarters, or if a firm has no unemployment insurance tax liability for eight consecutive quarters. It is the latter criteria which make "deaths" or failures in the current report not directly comparable with failures reported earlier. Business failures, using this criteria, are not available for years prior to 1982.

Data Limitations: The birth and death data in this report should be considered as estimates of the true level of birth and death activity in New Jersey since they are a by-product of the files designed for the efficient administration of the State's unemployment insurance program. As a result, there are some limitations with which the user should be familiar.

A new firm becomes liable for unemployment insurance contributions when $1,000 in wages is incurred in the current or preceding calendar year. Estimated business birth employment could be understated to the extent that reported employment is "start up" employment and may not be representative of the firm's true employment level. On the other hand, new-firm employment could be overstated to the extent that much new-firm employment is short-lived. The estimated employment in this report is based on the firm's employment in the third month of the quarter in which the firm first incurs unemployment insurance liability.

Business births are identified on the unemployment insurance files on the actual date that unemployment insurance liability is incurred. Still, there are often administrative lags in the actual start of new firm operations and the date these firms are added to the employer files. Example: Many firms which started operations in 1989 would not be added to the employer files until 1990. These firms, however, would be added with a 1989 start-up date.

Errors in identifying business deaths result from problems resulting from the timely identifi-

cation of business failures. In addition, the decision to classify firms as "dead" when the firm has been inactive for eight quarters is arbitrary. Finally, firms which have been in a "dead" status for five years are physically deleted from the files.

Errors in identifying births and deaths can be introduced through both reporting errors on the part of employers and errors in processing reported information. Reorganizations, mergers, acquisitions, etc. are by nature extremely complicated and subject to such errors.

Note: The intent of this study is to identify new firms in New Jersey to the extent permitted by the available administrative files. Consequently, every attempt is made to eliminate new companies (legal entities) which are the result of reorganizations, mergers, etc. but do not represent a new facility operating in New Jersey. Also, every attempt is made to eliminate, as business failures, firms which have been put into an inactive (not operating) status as the result of a reorganization, merger, etc.

In summary, the reader should consider the data in this article as estimates of the true level of birth and death activity in New Jersey since the data are a by-product of files designed for the efficient administration of the New Jersey unemployment insurance program.

Any comments or questions about the data or the findings should be directed to:

Robert Vaden
New Jersey Dept. of Labor
Division of Labor Market and
Demographic Research
Room 202, CN 383
Trenton, New Jersey 08625
(609) 984-2170

STATISTICAL SECTION

Please Note:

Each year the data series in *Economic Indicators* are revised using new benchmarks and seasonal adjustment factors. For this reason, it would be incorrect to generate an historic time series for *Economic Indicators* data by taking old issues of the *Economic Indicators* and tying the series together.

SEASONAL ADJUSTMENT OF DATA

All charts, except charts I and II and where otherwise noted, contain data seasonally adjusted by the X-11 variant of the U.S. Census Bureau program.

Data for 1975 and subsequent years in charts I and II have been seasonally adjusted using the ARIMA (Auto-Regressive Integrated Moving Average) method of seasonal adjustment developed by Statistics Canada.

For those series which are affected by the occurrence of five rather than four of a particular day of the week, during the course of a month in any given year, a statistical adjustment known as "trading day" has been made.

TABLE NOTES

Preliminary and revised data are indicated by a "p" or "r" after the entry.

CHART NOTES

Unless otherwise noted, all graphs were developed with seasonally adjusted data. Some series were plotted with the following variations noted on the graph itself:

Moving Averages. Series where the monthly data vary erratically have been plotted with moving averages and with nonaveraged data superimposed.

Ratio Scales. Where ratio scales were used to show constant rates of change as straight lines, this has been noted; otherwise, the graph is on an arithmetic scale.

Inverted Scales. For series where declines are associated with economic expansion (such as unemployment and business failures), an inverted scale has been used and noted.

Since the scale of each series is determined by the volume and trend of the data time series, caution should be exercised in making comparisons among charts.

MONTHLY AVERAGES

On Page S-37 are the monthly averages of the series data for recent years to be used as a benchmark for evaluating current monthly data.

SHADED AREAS

Periods identified by the National Bureau of Economic Research (NBER) as ones of general national contraction have been shaded. They include the periods November 1973-March 1975, January 1980-July 1980 and July 1981-November 1982. The national contraction which appeared to start during 1990 will be shaded once NBER identifies the startup and ending dates.

SERIES SOURCES

1-6	NJ Department of Labor Division of Labor Market & Demographic Research US Bureau of Labor Statistics
7-16	NJ Department of Labor Division of Labor Market & Demographic Research
17	US Bureau of Labor Statistics
18	NJ Department of Labor Division of Labor Market & Demographic Research
19-20	Dun & Bradstreet, Inc.
21	Edison Electric Institute: 1972-1979 US Department of Energy, Energy Information Administration: 1980-present
22-24	McGraw-Hill Information Systems Company, F.W. Dodge Division
25-27	NJ Department of Labor Division of Labor Market & Demographic Research
28-29	US Bureau of the Census NJ Department of Labor Division of Labor Market & Demographic Research
30	R.L. Polk and Company
31-36	NJ Department of Labor Division of Program Analysis & Evaluation

SERIES NOTES

1-6	The RESIDENT LABOR FORCE INDICATORS are based on the U.S. Bureau of Labor Statistics (BLS) monthly survey of 2,730 New Jersey households. On average, responses are obtained from about 2,300 households. The data series is based upon population estimates and weights derived from the 1980 U.S. Census of Population.

The data have been adjusted to 1990 population estimates produced by the U.S. Bureau of the Census.

The LABOR FORCE PARTICIPATION RATE and the EMPLOYMENT/POPULATION RATIO (Series 4 and 5) are expressed as percentages of the civilian noninstitutional population aged 16 years and over.

7-12 THE ESTABLISHMENT EMPLOYMENT INDICATORS are generated from a monthly survey of employers on the number of persons who worked or received pay for any part of the pay period including the 12th of the month. The series are adjusted to March 1990 benchmarks and reflect the 1987 SIC *(Standard Industrial Classification Manual)* changes. See information on page S-29 for additional information on estimating state government employment.

PRIVATE SECTOR NONFARM PAYROLL EMPLOYMENT (Series 8) is computed by subtracting government employment from total nonfarm payroll employment.

SERVICE-PRODUCING INDUSTRIES PAYROLL EMPLOYMENT (Series 12) includes the industries of trade, services, finance/insurance/real estate, and transportation/communications/public utilities.

13 MANUFACTURING EMPLOYMENT - PRODUCTION WORKERS is developed from a monthly survey of employers on the number of nonsupervisory employees in the manufacturing sector who worked during or received pay for any part of the pay period including the 12th of the month. The series are adjusted to 1990 benchmarks and reflect the 1987 SIC changes.

14 MANUFACTURING WORKWEEK - PRODUCTION WORKERS is derived from a monthly survey of employment and earnings. The workweek is estimated by dividing AGGREGATE MANUFACTURING WEEKLY MAN-HOURS BY MANUFACTURING EMPLOYMENT-PRODUCTION WORKERS.

15 AGGREGATE MANUFACTURING WEEKLY MANHOURS - PRODUCTION WORKERS are estimated from a monthly survey of the manhours worked by manufacturing production workers.

16 WEEKLY EARNINGS OF MANUFACTURING PRODUCTION WORKERS are affected by premium pay, shift differentials, piecework and incentive payments, length of workweek, and other factors. Data are not seasonally adjusted.

17 The CONSUMER PRICE INDEX (CPI) measures the change in prices of a fixed market basket of goods and services purchased by urban workers. The index represents price changes for everything people buy for living--food, clothing, automobiles, homes, furnishings, fuel, drugs; fees to doctors, lawyers, and beauty shops; and rent, repair costs, transportation fares, public utility rates, etc. All taxes (sales, excise, real estate, etc.) directly associated with the purchase and continued ownership of an item are included in the price. Income and other personal taxes not associated with prices of specific goods are excluded.

The data series reproduced in the report are the **Urban Wage Earners and Clerical Workers** series (CPI-W).

CPI-W is based on urban consumer units where more than one-half of the income is earned from clerical or wage occupations. In addition, one of the members must work for 37 weeks or more in an eligible occupation. The CPI-W population represented 30 percent of the total United States population in 1981.

The U.S. CPI is the **U.S. City Average.**

The N.Y. CPI is for the **New York, N.Y.-Northeastern New Jersey** area which includes in New Jersey: Bergen, Essex, Hudson, Middlesex, Morris, Passaic, Somerset, and Union counties; and in New York: New York City, Nassau, Rockland, Suffolk, and Westchester counties.

The Phila. CPI is for the **Philadelphia, Pa.-New Jersey** area which includes in New Jersey: Burlington, Camden, and Gloucester counties; and in Pennsylvania: Bucks, Chester, Delaware, Montgomery, and Philadelphia counties.

Questions on the use of the CPI should be addressed to the U.S. Bureau of Labor Statistics offices in New York City (212) 337-2404 or in Philadelphia (215) 596-1154.

THERE IS NO NEW JERSEY CONSUMER PRICE INDEX NOR COST-OF-LIVING INDEX.

18 NET SPENDABLE EARNINGS are calculated by adjusting gross average weekly earnings for the effects of state and federal taxes and inflation. Federal tax adjustments are made by the New Jersey Department of Labor according to a formula previously developed by the U.S. Department of Labor. Inflation adjustments are based on the average **Consumer Price Index for Urban Wage Earners and Clerical Workers** in the New York-Northeastern New Jersey and the Philadelphia-New Jersey areas. The data are not seasonally adjusted.

20 Business failures data beginning with January 1984 are not comparable to those prior to that date due to coverage of industries not previously included. Beginning in January 1984, all industries are included in the data.

21 Industrial electric power sales are estimates of total electricity sales by utilities to industrial users only. They are based on a sample of utilities surveyed by the U.S. Energy Information Administration, as reported in Electric Power Monthly (DOE/EIA-0226).

22-24 THE CONSTRUCTION CONTRACTS INDICATORS are proprietary data provided by special permission of the F.W. Dodge Division, McGraw-Hill Information Systems Company.

The cumulative data presented in the table on page 5 are not the sum of the data contained in series 22,23, and 24. The cumulative data contain retroactive revisions made after the monthly data were originally published. The monthly data have not been revised.

TOTAL CONSTRUCTION CONTRACTS AWARDED (Series 22) is the sum of seasonally adjusted residential and nonresidential construction contract awards and unadjusted nonbuilding construction contract awards. The nonbuilding component does not exhibit a stable seasonal pattern and is, therefore, not appropriate for seasonal adjustment.

25-27 The RESIDENTIAL BUILDING PERMITS INDICATORS are compiled as of the fifteenth day of the second following month and are not revised as subsequent reports are received. Since the reports from all New Jersey municipalities are never received by the cutoff date, preliminary figures are used for both the current and the historical series in order to ensure comparability. Final monthly data incorporating late reports appear in the annual summaries of **New Jersey Residential Building Permits** published by the Division of Labor Market and Demographic Research.

TOTAL PRIVATE DWELLING UNITS AUTHORIZED by building permits (Series 25) data is the sum of seasonally adjusted single-family and two-family dwelling units and unadjusted three-or-four family and multi-family dwelling units. Public housing units are not included in either the New Jersey or U.S. series and represent a tiny fraction of the total.

DWELLING UNITS (5 or MORE) AUTHORIZED BY BUILDING PERMITS (Series 27) include all multifamily structures with five or more units, except those in public housing. Data do not exhibit a stable seasonal pattern and are, therefore, not appropriate for seasonal adjustment.

28-29 SALES OF RETAIL STORES IN 1982-1984 DOLLARS (Series 29) has been deflated by the "commodities only" component of the average New York-Northeastern New Jersey and Philadelphia-New Jersey **Consumer Price Index for All Urban Consumers.**

30 New passenger car registrations data are total new passenger cars registered in New Jersey, regardless of the state in which the sales occur, and include both domestically produced as well as imported vehicles.

Because of unemployment insurance (UI) coverage and other law changes affecting eligibility for benefits, data on unemployment insurance claims (Series 31-36) may not be directly comparable between years.

31 WEEKS CLAIMED (WEEKLY AVERAGE) is computed by dividing the total number of weeks claimed (intrastate and interstate agent under Regular State UI program only) in the month by the number of weeks in the month.

The INSURED UNEMPLOYMENT RATE (IUR) is the seasonally adjusted weekly average of weeks claimed (intrastate and interstate agent claims under the Regular State UI program only), which is a proxy for a count of claimants, as a percent of covered employment.

32 The INITIAL CLAIMS WEEKLY AVERAGE represents intrastate and interstate agent claims under the Regular State UI program only.

33 UNEMPLOYMENT INSURANCE EXHAUSTONS are from the Regular State UI program only.

34-36 The industry INSURED UNEMPLOYMENT data are derived from a three-percent sample of all claimants under the Regular State UI program. The data reflect the number of insured unemployed during the week generally containing the 12th of the month, although the data are a count of the claims filed during the subsequent week.

INSURED UNEMPLOYMENT IN SERVICE PRODUCING INDUSTRIES (Series 36) includes the industries of transportation/communications/public utilities, trade, finance/insurance/real estate, and services.

Data on insured unemployment in manufacturing and service-producing industries consist of the sum of the seasonally adjusted or unadjusted data for the respective industry components. The decision to seasonally adjust the component industries is based upon individual consideration of the industries and whether seasonal adjustment is statistically meaningful.

TABLE I
RESIDENT LABOR FORCE INDICATORS - I

1. Civilian Labor Force (000) Seasonally Adjusted Data

Date	1988	1989	1990	1991
	Adj.	Adj.	Adj.	Adj.
Jan	3,994	4,026	4,007	4,015
Feb	3,965	4,012	4,026	3,947
Mar	3,962	3,972	4,031	
Apr	3,981	3,977	4,015	
May	3,959	3,956	4,025	
Jun	3,971	3,968	4,042	
Jul	3,978	3,959	4,068	
Aug	3,983	3,971	4,064	
Sep	3,969	3,983	4,075	
Oct	3,944	4,001	4,103	
Nov	3,965	4,030	4,069	
Dec	4,025	4,014	4,050	

2. Resident Employment (000) Seasonally Adjusted Data

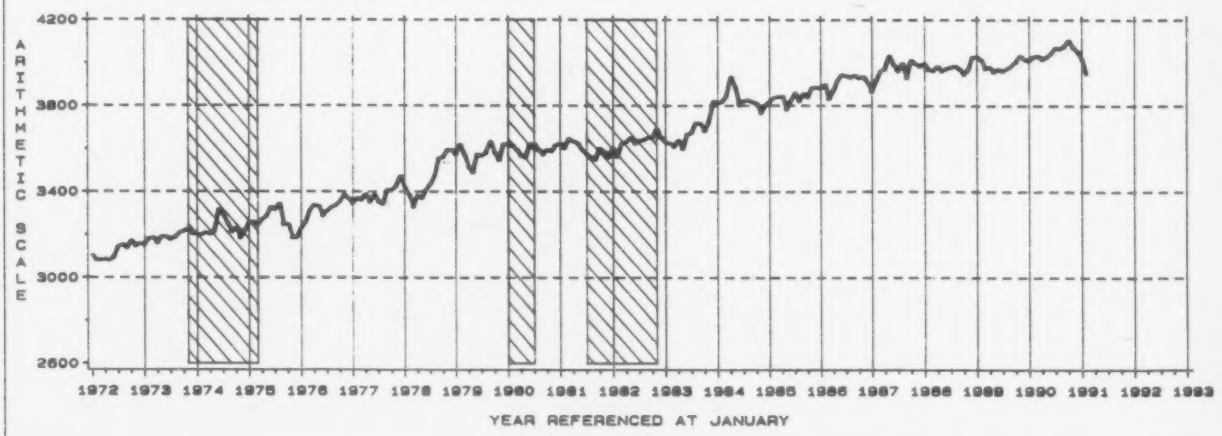
Date	1988	1989	1990	1991
	Adj.	Adj.	Adj.	Adj.
Jan	3,842	3,871	3,826	3,757
Feb	3,827	3,853	3,846	3,698
Mar	3,803	3,853	3,843	
Apr	3,838	3,819	3,820	
May	3,805	3,827	3,832	
Jun	3,822	3,800	3,848	
Jul	3,827	3,791	3,870	
Aug	3,829	3,791	3,865	
Sep	3,822	3,802	3,862	
Oct	3,802	3,808	3,881	
Nov	3,811	3,827	3,847	
Dec	3,859	3,871	3,818	

3. Unemployment (000) Seasonally Adjusted Data

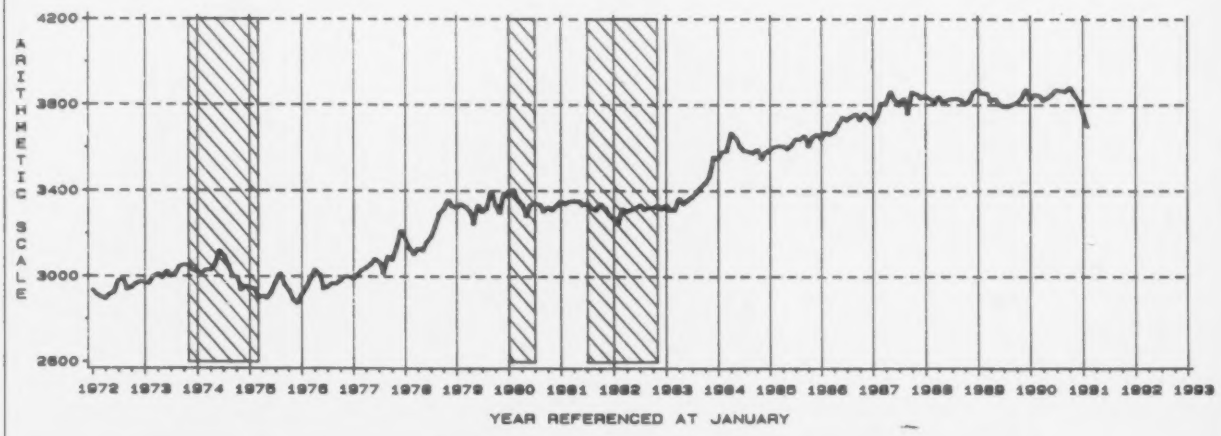
Date	1988	1989	1990	1991
	Adj.	Adj.	Adj.	Adj.
Jan	152	155	181	258
Feb	138	159	180	249
Mar	159	119	188	
Apr	143	158	195	
May	154	129	193	
Jun	149	168	194	
Jul	151	168	198	
Aug	154	180	199	
Sep	147	181	213	
Oct	142	193	222	
Nov	154	203	222	
Dec	166	143	232	

CHART I RESIDENT LABOR FORCE INDICATORS–I

1. CIVILIAN LABOR FORCE (000)



2. RESIDENT EMPLOYMENT (000)



3. UNEMPLOYMENT (000) –INVERTED

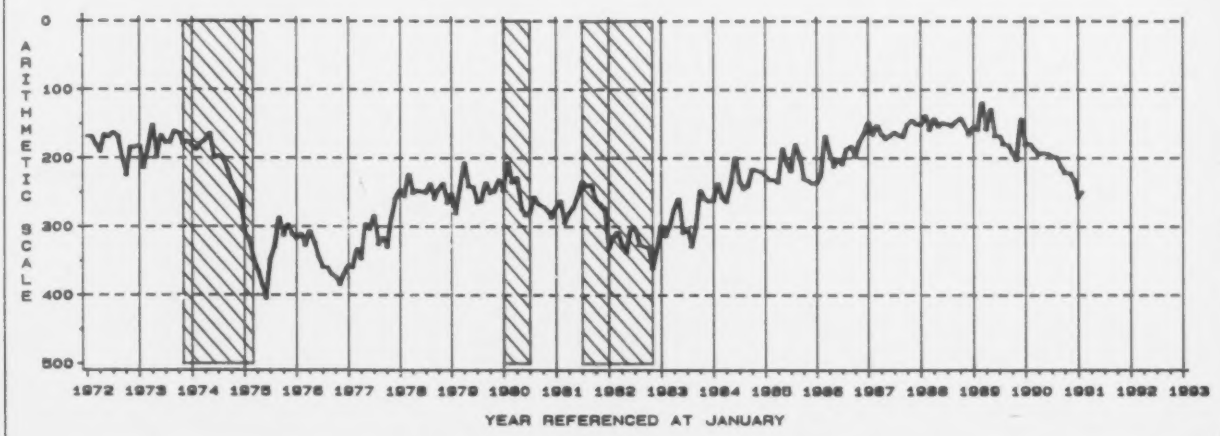


TABLE II
RESIDENT LABOR FORCE INDICATORS - II

4. Labor Force Participation Rate (%) Seasonally Adjusted Data

Date	1988	1989	1990	1991
	Adj.	Adj.	Adj.	Adj.
Jan	66.3	66.7	66.5	66.6
Feb	65.8	66.5	66.8	65.5
Mar	65.7	65.8	66.9	
Apr	66.0	65.9	66.6	
May	65.6	65.6	66.8	
Jun	65.8	65.8	67.1	
Jul	65.9	65.6	67.5	
Aug	66.0	65.8	67.4	
Sep	65.8	66.0	67.6	
Oct	65.4	66.3	68.1	
Nov	65.7	66.8	67.5	
Dec	66.7	66.6	67.2	

5. Employment/Population Ratio (%) Seasonally Adjusted Data

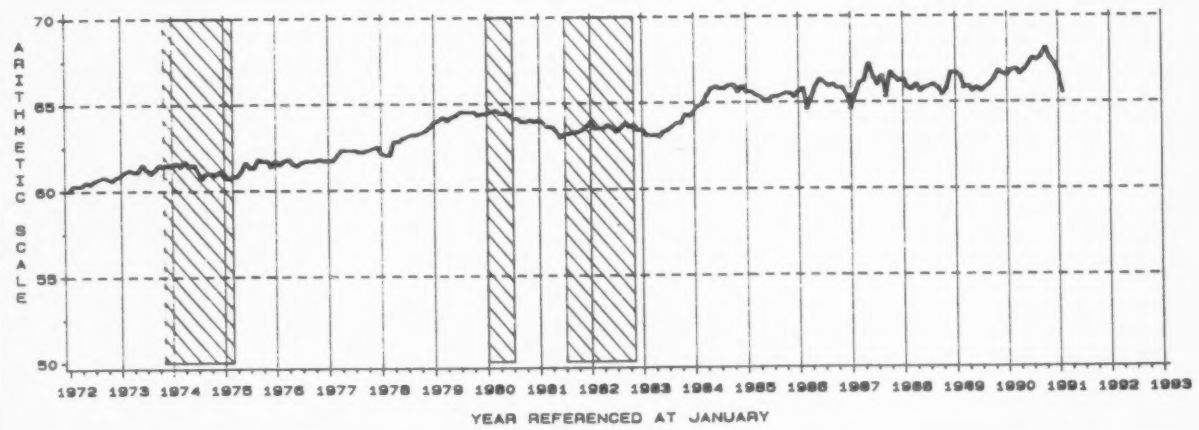
Date	1988	1989	1990	1991
	Adj.	Adj.	Adj.	Adj.
Jan	63.8	64.2	63.4	62.3
Feb	63.5	63.9	63.8	61.4
Mar	63.1	63.9	63.8	
Apr	63.7	63.3	63.4	
May	63.1	63.4	63.6	
Jun	63.3	63.0	63.8	
Jul	63.4	62.8	64.2	
Aug	63.4	62.8	64.1	
Sep	63.3	63.0	64.1	
Oct	63.0	63.1	64.4	
Nov	63.1	63.4	63.8	
Dec	64.0	64.2	63.3	

6. Unemployment Rate (%) Seasonally Adjusted Data

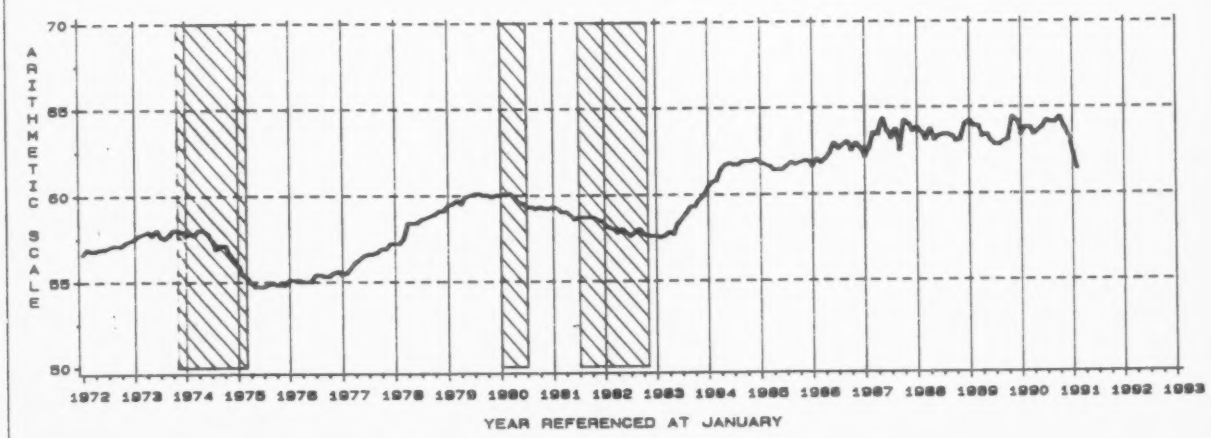
Date	1988	1989	1990	1991
	Adj.	Adj.	Adj.	Adj.
Jan	3.8	3.8	4.5	6.4
Feb	3.5	4.0	4.5	6.3
Mar	4.0	3.0	4.7	
Apr	3.6	4.0	4.9	
May	3.9	3.3	4.8	
Jun	3.8	4.2	4.8	
Jul	3.8	4.2	4.9	
Aug	3.9	4.5	4.9	
Sep	3.7	4.5	5.2	
Oct	3.6	4.8	5.4	
Nov	3.9	5.0	5.5	
Dec	4.1	3.6	5.7	

CHART II RESIDENT LABOR FORCE INDICATORS–II

4. LABOR FORCE PARTICIPATION RATE (%)



5. EMPLOYMENT/POPULATION RATIO (%)



6. UNEMPLOYMENT RATE (%) INVERTED

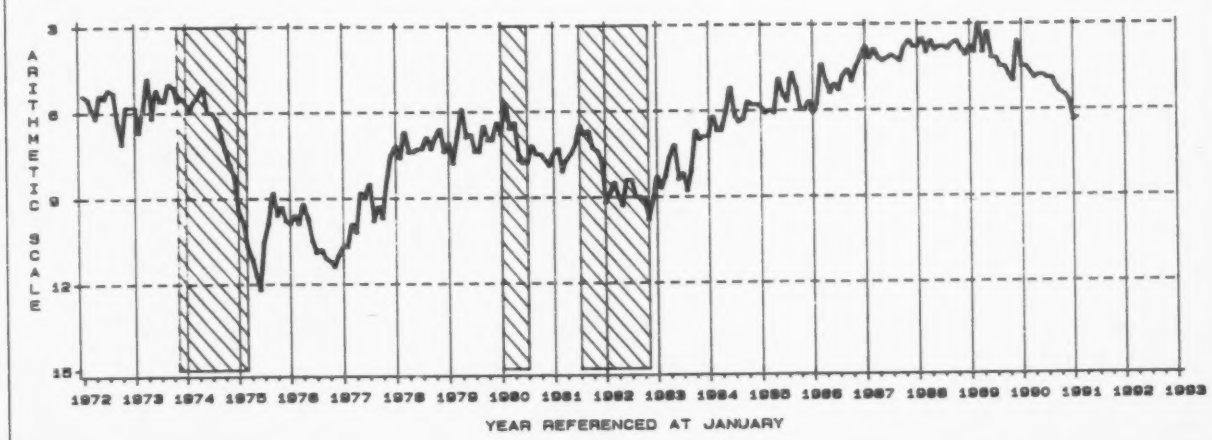


TABLE III
ESTABLISHMENT EMPLOYMENT INDICATORS - I

7. Nonfarm Payroll Employment (000)

Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	3539.7	3605.8	3634.4	3702.9	3615.5	3682.0	3570.2	3634.7R
Feb	3555.0	3620.1	3641.3	3711.6	3620.2	3688.1	3567.7	3633.3P
Mar	3589.9	3631.1	3670.9	3710.1	3650.7	3688.0		
Apr	3623.8	3641.2	3672.0	3689.6	3649.5	3664.8		
May	3643.0	3643.2	3688.8	3688.8	3676.6	3676.8		
Jun	3701.3	3649.2	3744.3	3690.5	3725.4	3671.3		
Jul	3698.1	3658.4	3720.2	3680.2	3695.7	3660.4		
Aug	3693.2	3659.8	3710.1	3675.4	3690.6	3658.0		
Sep	3673.4	3667.5	3706.5	3698.0	3664.0	3657.3		
Oct	3679.8	3668.0	3689.5	3677.3	3665.6	3656.5		
Nov	3703.6	3685.9	3697.3	3678.7	3665.2	3649.5		
Dec	3716.2	3697.0	3701.9	3679.3	3665.3	3644.6		

8. Private Sector Nonfarm Payroll Employment (000)

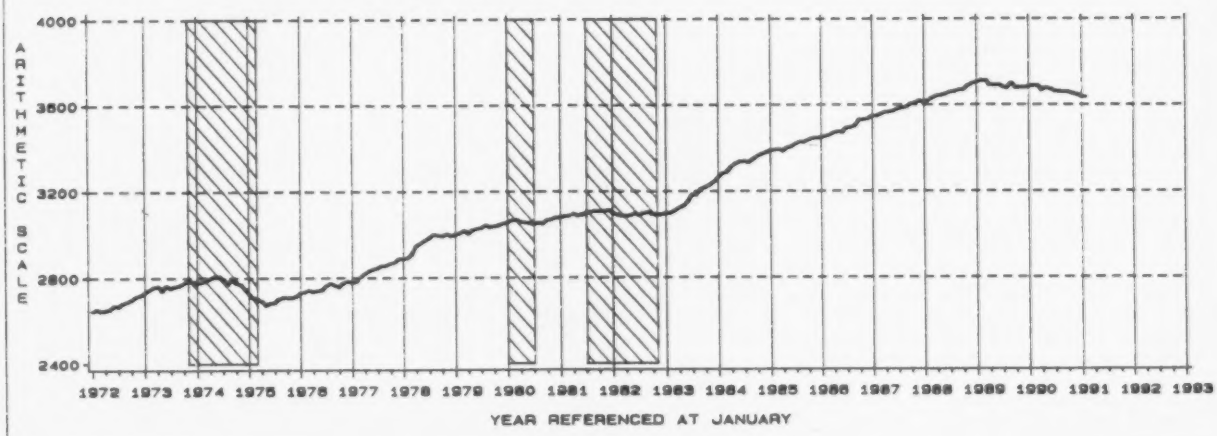
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	2999.4	3062.2	3079.7	3144.2	3053.8	3116.3	3002.6	3063.1R
Feb	3102.3	3074.9	3078.9	3151.4	3049.0	3119.2	2992.8	3060.5P
Mar	3036.0	3083.8	3106.2	3152.0	3076.5	3120.5		
Apr	3067.9	3092.7	3107.3	3132.4	3069.6	3094.6		
May	3089.8	3094.4	3125.9	3130.4	3094.6	3099.6		
Jun	3144.6	3100.0	3178.8	3132.5	3140.5	3094.3		
Jul	3154.7	3108.4	3191.5	3124.2	3188.6	3085.3		
Aug	3155.1	3110.1	3166.4	3119.5	3132.5	3087.1		
Sep	3133.8	3112.4	3160.9	3136.9	3108.0	3085.3		
Oct	3124.6	3112.6	3127.3	3115.0	3093.7	3084.4		
Nov	3140.9	3128.7	3131.1	3117.8	3080.5	3077.0		
Dec	3152.2	3138.3	3134.8	3117.7	3086.6	3071.2		

9. Public Sector Payroll Employment (000)

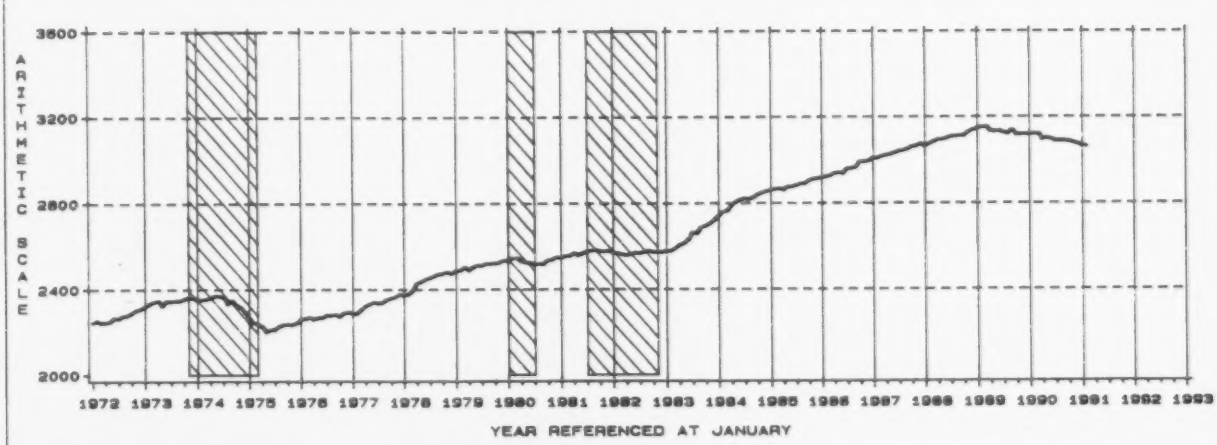
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	540.3	543.6	554.7	558.7	561.7	565.7	567.6	571.6R
Feb	541.7	545.1	562.4	560.1	571.2	568.8	574.9	572.8P
Mar	553.9	547.3	564.7	558.2	574.2	567.5		
Apr	555.9	548.5	564.7	537.2	577.9	570.2		
May	553.2	548.8	562.9	558.3	582.0	577.2		
Jun	556.7	549.6	565.5	558.0	584.9	577.0		
Jul	543.4	550.0	548.7	556.0	567.1	575.0		
Aug	538.1	549.7	543.7	555.9	558.1	570.9		
Sep	539.6	555.1	545.6	561.2	556.0	571.9		
Oct	555.2	555.4	562.2	562.3	571.9	572.1		
Nov	562.7	557.3	566.2	560.8	577.7	572.5		
Dec	564.0	558.8	567.1	561.7	578.7	573.4		

CHART III ESTABLISHMENT EMPLOYMENT INDICATORS – I

7. NONFARM PAYROLL EMPLOYMENT (000)



8. PRIVATE SECTOR NONFARM PAYROLL EMPLOYMENT (000)



9. PUBLIC SECTOR PAYROLL EMPLOYMENT (000)

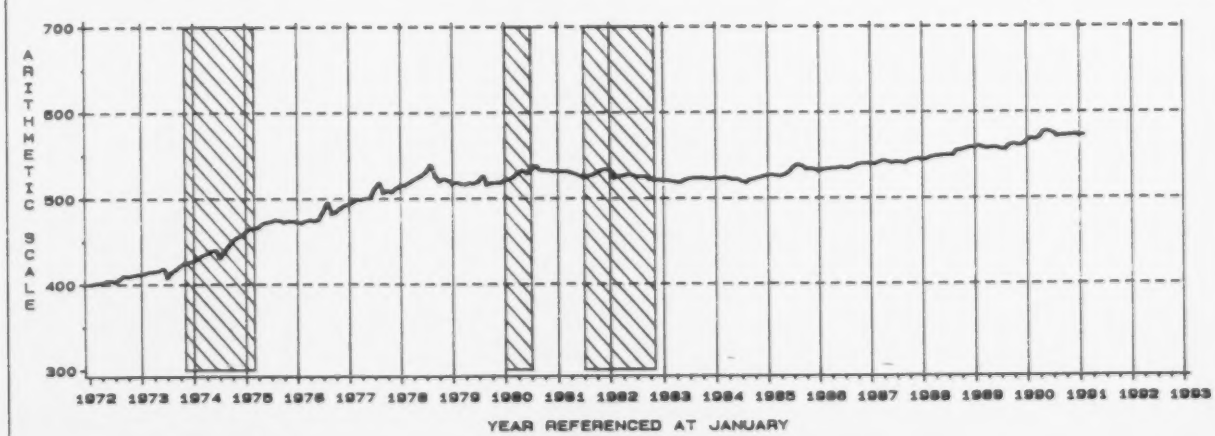


TABLE IV
ESTABLISHMENT EMPLOYMENT INDICATORS - II

10. Manufacturing Payroll Employment (000)

Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	657.9	662.9	646.1	654.8	608.1	616.0	569.1	576.4R
Feb	663.3	665.2	647.5	653.2	608.1	613.3	567.6	572.3P
Mar	665.5	663.5	651.1	653.0	607.1	608.8		
Apr	666.6	665.2	646.1	648.9	601.7	604.2		
May	668.2	664.3	646.1	646.2	601.6	601.8		
Jun	674.1	664.2	649.1	643.3	605.2	599.9		
Jul	664.9	662.5	636.0	637.9	594.0	595.9		
Aug	667.8	660.8	638.0	635.4	598.0	595.7		
Sep	669.7	659.3	639.5	633.6	600.0	594.6		
Oct	667.0	658.3	628.2	624.4	596.3	593.1		
Nov	666.9	659.0	626.3	623.7	590.7	588.6		
Dec	663.1	658.7	621.3	621.6	584.0	584.5		

11. Construction Payroll Employment (000)

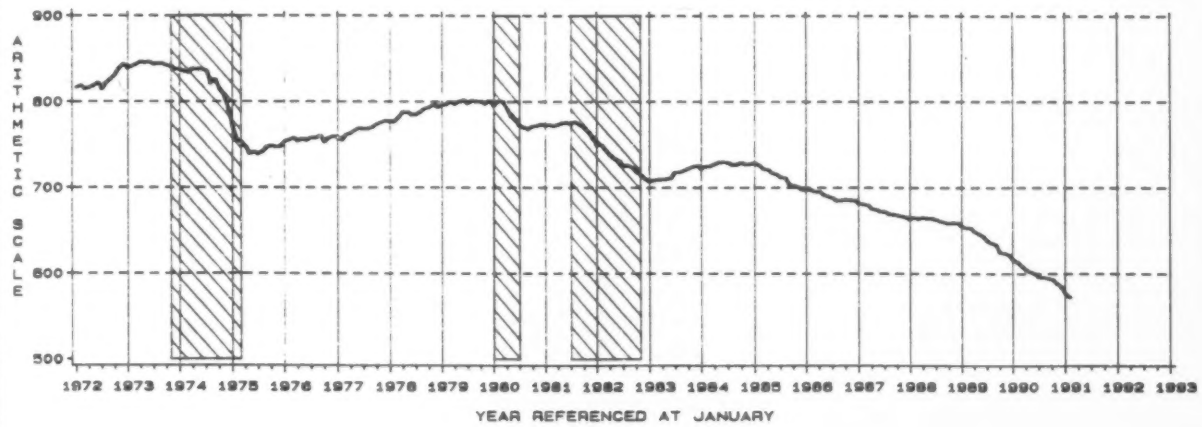
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	150.2	165.6	153.4	169.6	142.6	157.7	125.0	138.4R
Feb	150.1	169.7	150.1	169.7	141.9	160.5	123.6	139.9P
Mar	159.5	172.6	153.2	165.5	146.1	157.7		
Apr	169.0	172.5	162.0	165.3	147.8	150.8		
May	173.6	172.1	166.4	165.2	151.8	150.7		
Jun	178.1	171.5	170.7	164.3	155.0	149.2		
Jul	181.2	171.4	172.3	163.1	155.6	149.5		
Aug	181.1	170.5	174.1	163.8	155.1	146.0		
Sep	179.2	171.0	172.5	164.4	150.4	143.2		
Oct	177.1	169.2	169.4	162.0	148.3	141.9		
Nov	175.0	169.2	166.9	161.3	145.3	140.5		
Dec	171.7	169.9	160.5	158.8	141.1	139.7		

12. Private Service-Producing Industries Payroll Employment (000)

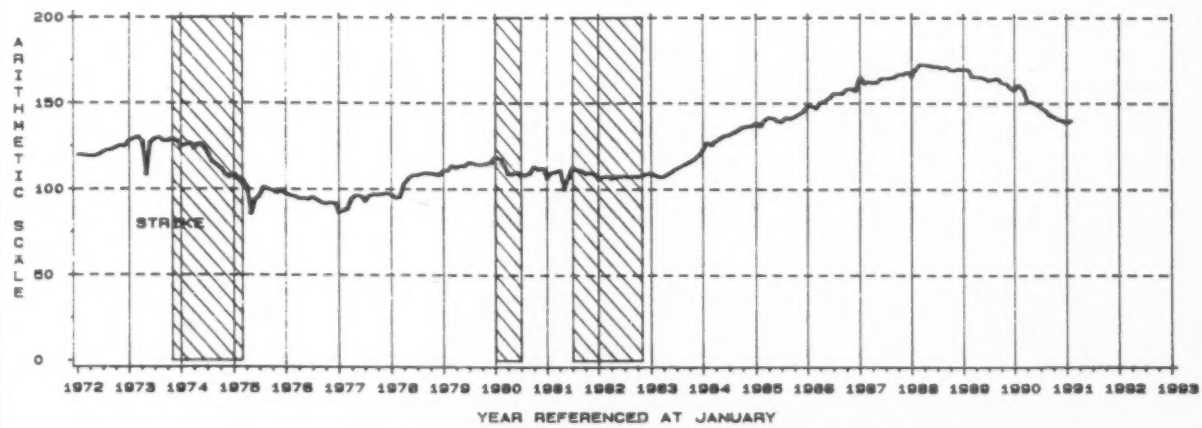
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	2193.6	2231.3	2277.8	2317.2	2300.9	2340.3	2306.3	2345.9R
Feb	2191.4	2237.6	2278.9	2325.8	2296.8	2343.0	2299.4	2345.9P
Mar	2212.9	2245.3	2299.4	2330.8	2321.0	2351.6		
Apr	2238.1	2252.7	2296.7	2315.7	2317.7	2337.1		
May	2253.4	2255.6	2310.8	2316.5	2338.7	2344.7		
Jun	2298.1	2261.5	2356.4	2322.3	2377.8	2342.8		
Jul	2316.9	2272.2	2360.6	2320.7	2379.5	2339.6		
Aug	2314.9	2276.5	2351.7	2317.7	2377.0	2343.1		
Sep	2292.8	2279.6	2346.4	2336.4	2355.2	2345.2		
Oct	2289.1	2282.8	2327.2	2326.1	2346.7	2347.0		
Nov	2306.8	2298.0	2335.4	2330.4	2349.1	2345.5		
Dec	2326.0	2307.2	2350.5	2334.7	2359.1	2344.7		

CHART IV ESTABLISHMENT EMPLOYMENT INDICATORS – II

10. MANUFACTURING PAYROLL EMPLOYMENT (000)



11. CONSTRUCTION PAYROLL EMPLOYMENT (000)



12. PRIVATE SERVICE–PRODUCING INDUSTRIES PAYROLL EMPLOYMENT (000)

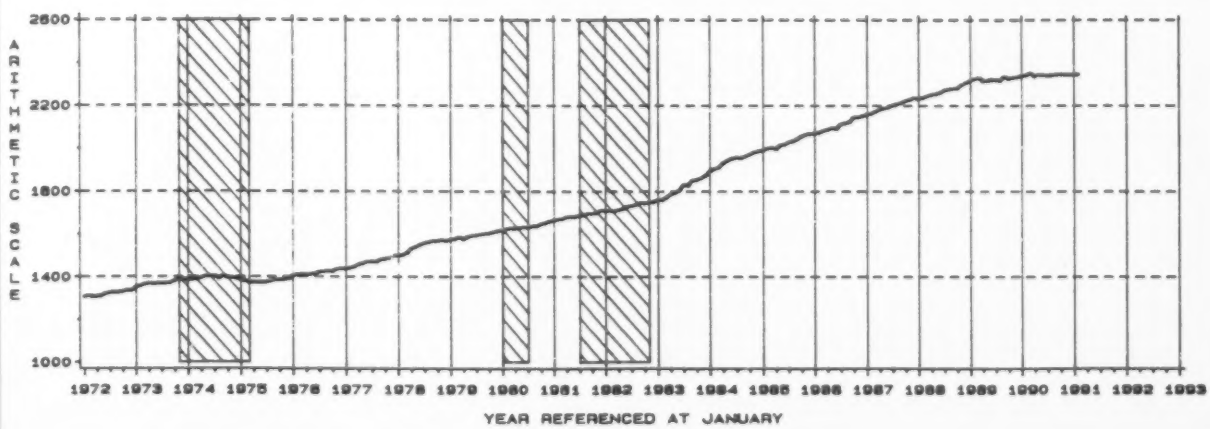


TABLE V
PRODUCTION WORKERS INDICATORS

13. Manufacturing Employment-Production Workers (000)

Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	398.6	404.4	411.4	417.9	378.2	384.3	353.2	358.9
Feb	403.9	406.3	412.9	415.8	379.1	381.8	353.5	356.0
Mar	407.5	407.5	415.1	415.5	378.6	379.0		
Apr	407.7	410.0	409.6	412.3	373.9	376.4		
May	409.7	410.3	409.0	409.6	374.6	375.1		
Jun	414.5	410.9	411.1	407.5	376.5	373.1		
Jul	405.2	410.3	400.0	405.0	367.3	372.0		
Aug	408.9	409.2	402.8	402.9	371.9	371.9		
Sep	413.8	408.9	404.5	399.5	373.7	369.1		
Oct	412.6	407.8	397.0	392.4	371.7	367.6		
Nov	413.4	409.5	394.6	391.2	366.4	363.7		
Dec	413.6	412.7	390.4	389.3	361.8	360.9		

14. Manufacturing Workweek-Production Workers (Hours)

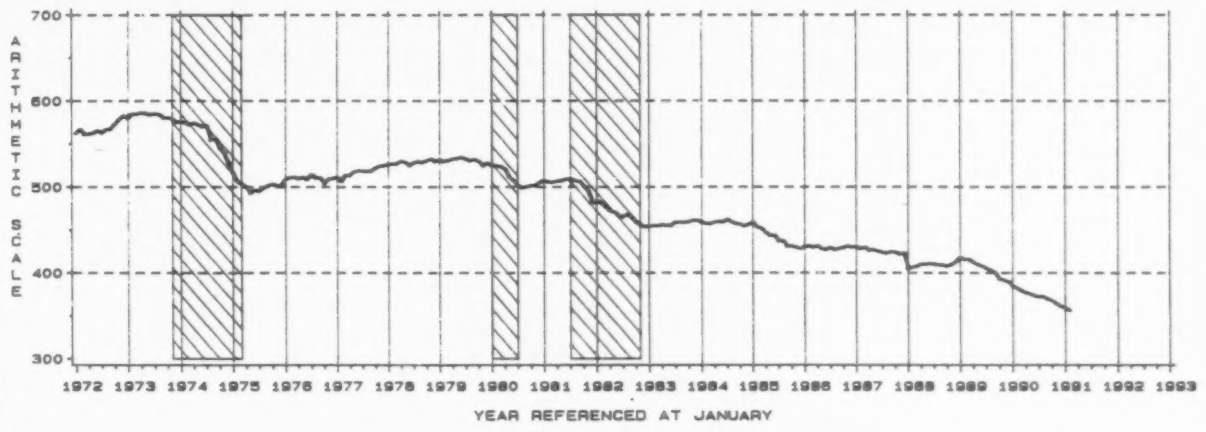
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	41.1	41.0	41.4	41.3	41.2	41.1	40.8	40.7
Feb	41.0	41.0	41.1	41.1	41.2	41.2	41.1	41.1
Mar	41.4	41.1	40.9	40.7	41.3	41.1		
Apr	41.0	41.1	41.0	41.1	40.4	40.5		
May	40.9	41.0	40.8	40.9	41.3	41.4		
Jun	41.0	41.0	41.0	41.0	41.7	41.7		
Jul	40.3	40.9	40.4	41.0	41.1	41.7		
Aug	40.4	40.8	40.4	40.9	41.3	41.8		
Sep	41.0	41.0	40.9	40.9	41.6	41.6		
Oct	41.2	41.2	40.7	40.7	41.3	41.4		
Nov	41.5	41.1	41.3	40.9	41.7	41.3		
Dec	41.7	41.1	41.5	40.9	42.2	41.6		

15. Aggregate Manufacturing Weekly Manhours-Production Workers (000)

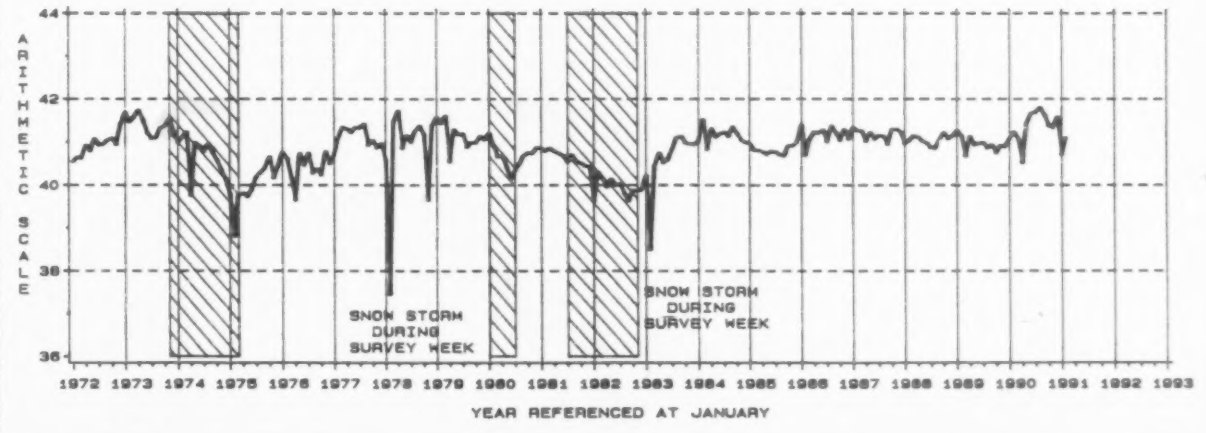
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	16,382	16,580	17,032	17,259	15,582	15,795	14,411	14,607
Feb	16,560	16,658	16,970	17,089	15,619	15,730	14,529	14,632
Mar	16,871	16,748	16,978	16,911	15,636	15,577		
Apr	16,716	16,851	16,794	16,946	15,106	15,244		
May	16,757	16,822	16,687	16,753	15,471	15,529		
Jun	16,995	16,847	16,855	16,708	15,700	15,558		
Jul	16,330	16,781	16,160	16,605	15,096	15,512		
Aug	16,520	16,695	16,273	16,479	15,359	15,545		
Sep	16,966	16,765	16,544	16,340	15,546	15,355		
Oct	16,999	16,801	16,158	15,971	15,351	15,219		
Nov	17,156	16,830	16,297	16,000	15,279	15,021		
Dec	17,247	16,962	16,202	15,922	15,268	15,013		

CHART V PRODUCTION WORKER INDICATORS

13. MANUFACTURING EMPLOYMENT — PRODUCTION WORKERS (000)



14. MANUFACTURING WORKWEEK — PRODUCTION WORKERS (HOURS)



15. AGGREGATE MANUFACTURING WEEKLY MANHOURS — PRODUCTION WORKERS (000)

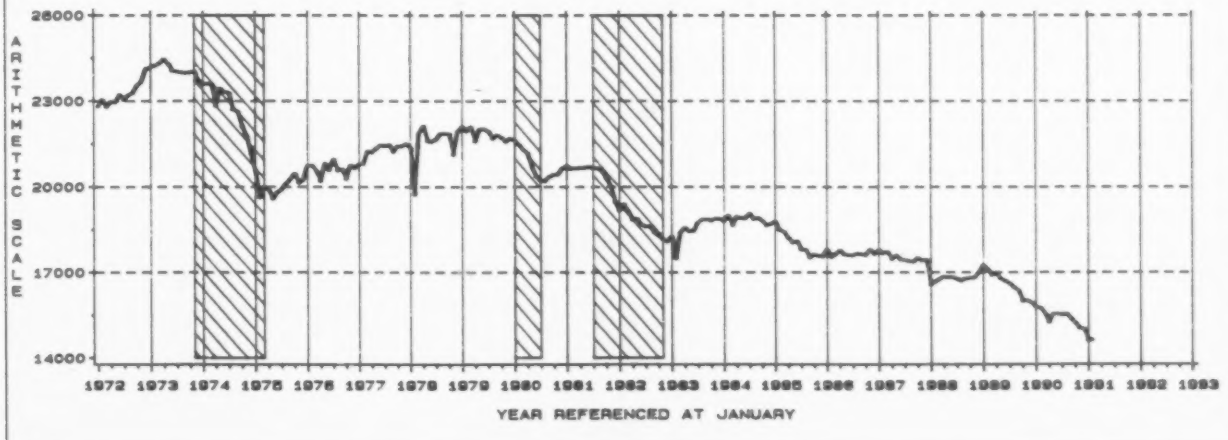


TABLE VI
EARNINGS AND PRICE INDICATORS

16. Weekly Earnings of Manufacturing Production Workers ($)

Date	1988	1989	1990	1991
	Unadj.	Unadj.	Unadj.	Unadj.
Jan	439.36	459.13	482.86	489.60
Feb	440.34	453.74	479.98	495.26
Mar	443.39	451.13	482.80	
Apr	440.75	453.46	472.28	
May	440.90	451.25	483.21	
Jun	443.21	454.28	488.72	
Jul	436.85	451.67	483.75	
Aug	436.72	450.06	484.86	
Sep	448.95	460.53	490.88	
Oct	454.02	457.06	485.28	
Nov	457.33	471.23	495.40	
Dec	464.12	478.08	509.78	

17. CPI For Urban Wage Earners & Clerical Workers (Unadj. Index 1982-84=100)

Date	1988			1989			1990			1991		
	U.S.	N.Y.	PA.	U.S.	N.Y.	PA.	U.S.	N.Y.	PA.	U.S.	N.Y.	PA.
Jan	114.5	119.6	119.3	119.7	125.1	125.5	125.9	133.0	131.0	132.8	140.3	140.4
Feb	114.7	119.3	119.0	120.2	125.5	125.4	126.4	133.1	132.2	132.8	140.6	140.5
Mar	115.1	119.7	119.5	120.8	126.8	125.8	127.1	134.5	133.8			
Apr	115.7	120.6	119.8	121.8	127.5	126.7	127.3	135.0	134.4			
May	116.2	120.7	120.8	122.5	128.2	127.9	127.5	134.9	134.9			
Jun	116.7	121.2	121.8	122.8	128.7	128.9	128.3	135.0	135.5			
Jul	117.2	121.7	123.1	123.2	128.7	129.3	128.7	136.0	136.6			
Aug	117.7	122.2	123.6	123.2	128.9	129.3	129.9	137.4	137.5			
Sep	118.5	124.1	124.9	123.6	130.3	130.4	131.1	138.7	138.6			
Oct	118.9	124.3	124.4	124.2	130.8	130.6	131.9	139.5	139.1			
Nov	119.0	124.1	125.0	124.4	131.3	130.1	132.2	139.5	139.4			
Dec	119.2	124.1	125.2	124.6	131.3	130.0	132.2	139.5	139.8			

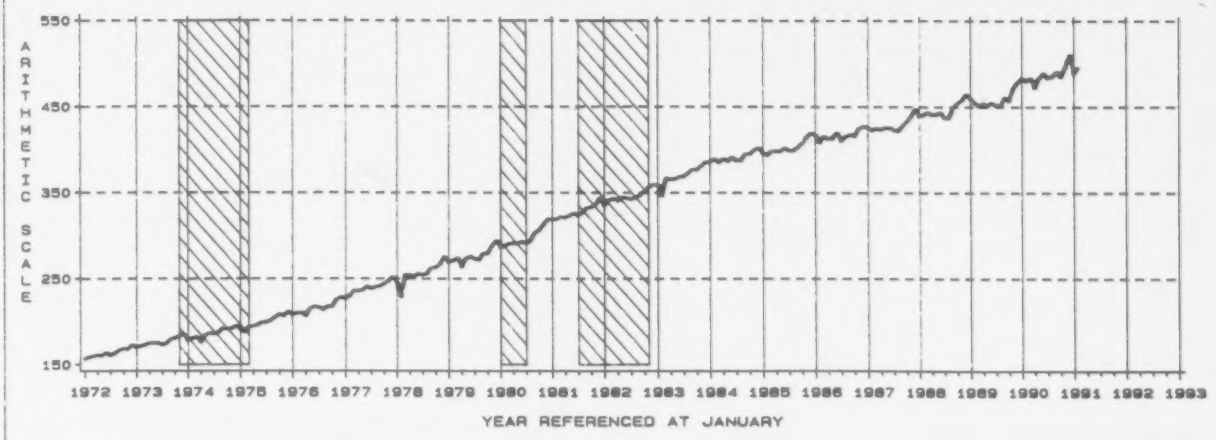
18. Wkly Earnings of Mfg. Workers in 1982-84 Dollars (Unadj.)

Date	1988		1989		1990		1991	
	Single	3 Dep.	Single	3 Dep.	Single	3 Dep.	Single	3 Dep.
Jan								
Feb								
Mar								
Apr								
May								
Jun								
Jul								
Aug								
Sep								
Oct								
Nov								
Dec								

DATA UNDERGOING REVISIONS

CHART VI EARNINGS AND PRICE INDICATORS

16. WEEKLY EARNINGS OF MANUFACTURING PRODUCTION WORKERS($) NOT SEASONALLY ADJUSTED



17. U.S. CONSUMER PRICE INDEX FOR URBAN AND CLERICAL WORKERS (UNADJUSTED INDEX 1982-84=100)

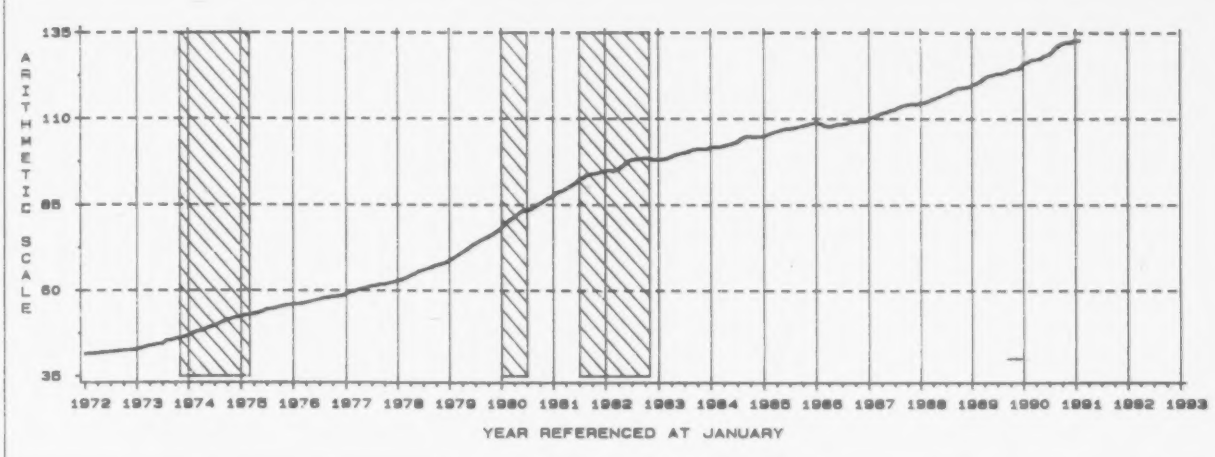


TABLE VII
GENERAL BUSINESS INDICATORS

19. New Business Incorporations (Number)

Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	2,322	2,470	2,669	2,798	2,426	2,440		
Feb	3,198	3,041	2,810	2,677	2,734	2,556		
Mar	3,501	2,838	2,946	2,384	3,273	2,727		
Apr	2,698	2,645	2,393	2,419	2,461	2,485		
May	3,131	2,777	3,322	2,783	2,815	2,322		
Jun	2,717	2,669	2,547	2,580	2,295	2,382		
Jul	2,680	2,850	2,032	2,149	2,313	2,369		
Aug	2,486	2,582	2,402	2,497	2,127	2,278		
Sep	2,223	2,544	2,395	2,838	1,899	2,293		
Oct	2,836	2,987	2,461	2,505	2,243	2,164		
Nov	2,387	2,648	2,025	2,265	1,946	2,251		
Dec	2,480	2,570	2,426	2,639	1,749	1,916		

20. Business Failures (Number)

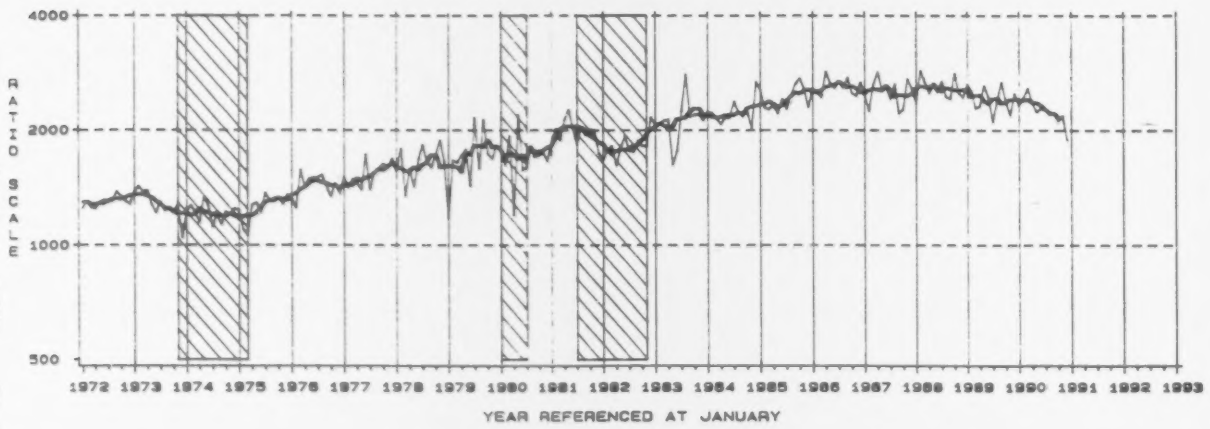
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	65	67	54	56	N/A	N/A		
Feb	80	81	44	46	N/A	N/A		
Mar	106	88	41	34	N/A	N/A		
Apr	87	83	36	36	N/A	N/A		
May	100	89	48	38	N/A	N/A		
Jun	91	85	44	44	N/A	N/A		
Jul	68	78	39	45	N/A	N/A		
Aug	86	90	28	29	N/A	N/A		
Sep	42	54	44	55	N/A	N/A		
Oct	32	28	76	69	N/A	N/A		
Nov	61	61	63	63	N/A	N/A		
Dec	42	48	58	70	N/A	N/A		

21. Industrial Electric Power Sales (Millions of Kilowatt-Hours)

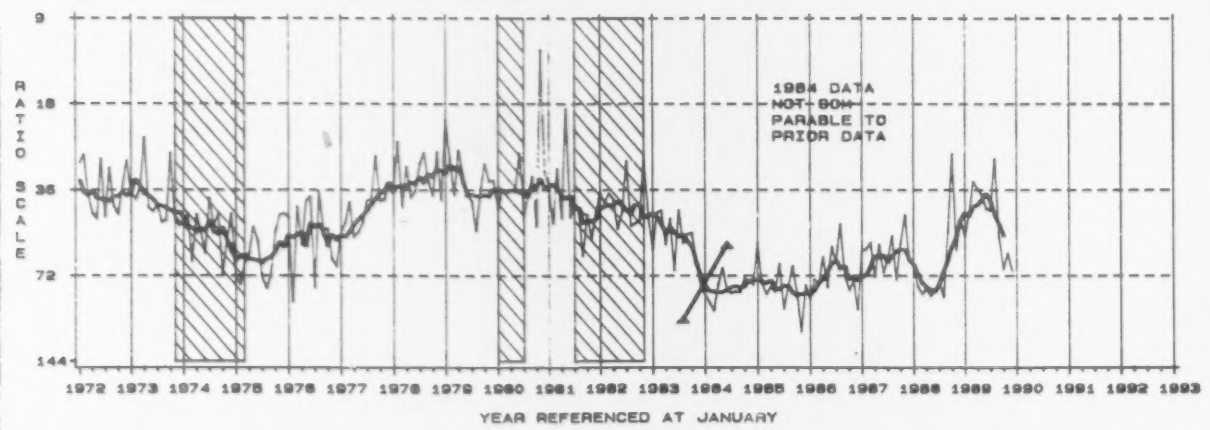
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	1,250	1,340	1,214	1,307	1,165	1,244		
Feb	1,282	1,299	1,259	1,324	1,206	1,269		
Mar	1,296	1,302	1,304	1,312	1,255	1,261		
Apr	1,278	1,325	1,248	1,313	1,162	1,222		
May	1,316	1,296	1,345	1,317	1,198	1,178		
Jun	1,360	1,310	1,385	1,328	1,298	1,244		
Jul	1,397	1,341	1,350	1,299	1,258	1,211		
Aug	1,370	1,318	1,374	1,318	1,329	1,272		
Sep	1,331	1,306	1,338	1,317	1,258	1,,257		
Oct	1,383	1,347	1,315	1,278	1,354	1,303		
Nov	1,326	1,317	1,325	1,314	1,279	1,263		
Dec	1,281	1,320	1,262	1,310	1,244	1,287		

CHART VII GENERAL BUSINESS INDICATORS

19. NEW BUSINESS INCORPORATIONS (NUMBER) SIX-MONTH MOVING AVERAGE



20. BUSINESS FAILURES (NUMBER) SIX-MONTH MOVING AVERAGE - INVERTED



21. INDUSTRIAL ELECTRIC POWER SALES (MILLIONS OF KILOWATT-HOURS)

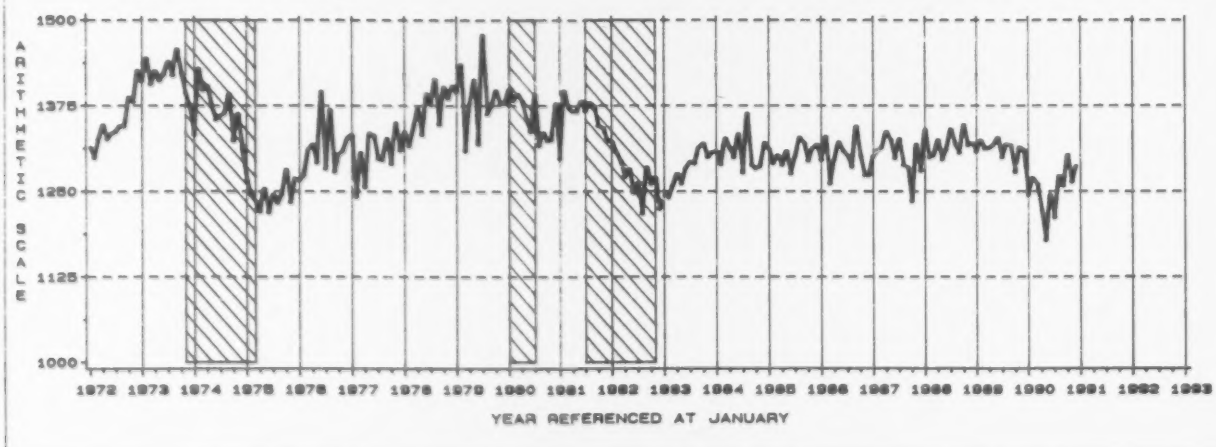


TABLE VIII
CONSTRUCTION CONTRACT INDICATORS

22. Total Construction Contracts Awarded ($000,000)

Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	552.7	719.9	435.0	575.3	563.9	683.6	332.3	416.3
Feb	574.3	761.5	516.5	557.3	443.0	556.1		
Mar	608.2	562.2	686.2	634.9	455.4	426.5		
Apr	609.9	631.2	751.8	779.9	575.0	619.8		
May	955.5	897.0	648.7	612.7	492.1	463.2		
Jun	890.2	813.3	563.0	526.7	410.1	391.4		
Jul	739.7	688.0	721.5	655.6	353.4	330.6		
Aug	903.0	786.2	841.9	754.6	442.9	389.8		
Sep	651.9	648.7	740.5	710.2	545.1	516.3		
Oct	739.4	701.7	602.6	579.2	540.4	526.2		
Nov	646.0	625.0	527.3	506.9	425.1	410.2		
Dec	712.4	764.8	599.1	649.4	279.1	300.3		

23. Residential Construction Contracts Awarded ($000,000)

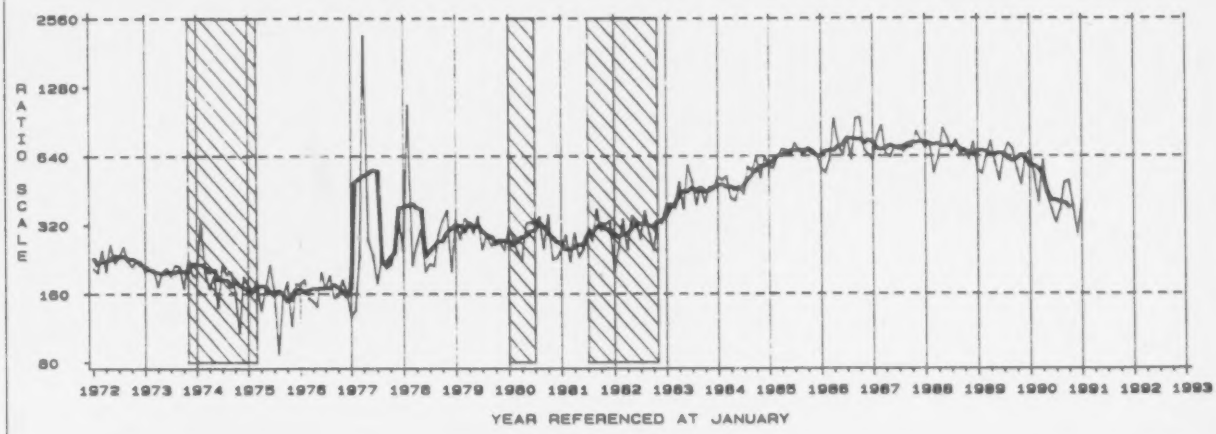
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	192.0	300.9	175.0	277.6	122.3	194.9	92.2	146.9
Feb	264.6	385.2	155.4	218.6	129.6	179.5		
Mar	370.3	345.6	239.7	220.8	188.5	172.4		
Apr	348.0	339.6	370.5	363.7	156.2	153.4		
May	388.8	325.7	250.7	210.8	187.3	158.8		
Jun	354.0	301.2	246.7	217.7	135.7	121.9		
Jul	352.0	334.4	215.9	207.2	125.6	121.0		
Aug	402.3	333.3	245.0	201.1	150.2	122.0		
Sep	261.8	279.4	210.4	228.3	99.6	108.7		
Oct	340.5	307.0	185.4	166.4	136.1	122.5		
Nov	249.5	256.4	209.4	211.4	171.0	171.4		
Dec	359.3	383.0	165.8	174.8	109.3	114.7		

24. Nonresidential Construction Contracts Awarded ($000,000)

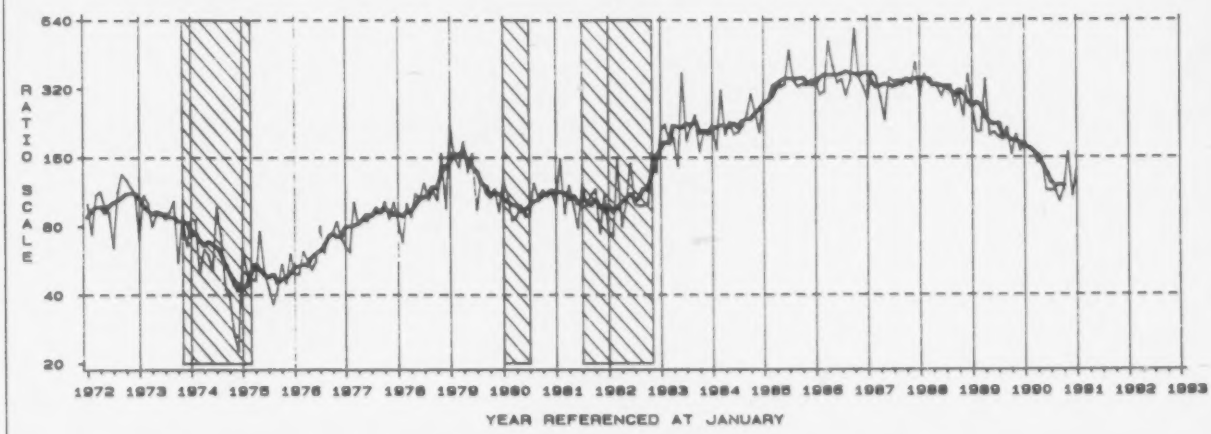
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	237.0	295.2	191.2	229.0	274.8	321.9	170.6	199.8
Feb	195.5	262.1	165.8	224.5	169.2	232.4		
Mar	188.5	167.2	323.3	291.0	146.3	133.5		
Apr	172.8	202.5	202.1	237.0	269.6	317.3		
May	230.0	234.6	285.8	289.7	242.7	242.3		
Jun	314.5	290.4	209.8	202.5	218.9	214.0		
Jul	233.1	198.8	398.0	340.8	137.0	118.9		
Aug	396.9	349.0	365.7	322.2	199.0	174.2		
Sep	231.1	210.3	362.9	314.6	258.2	220.3		
Oct	187.8	183.5	331.1	326.7	267.4	266.8		
Nov	322.2	294.3	251.7	229.3	167.3	152.0		
Dec	209.0	237.7	290.3	331.6	120.1	135.9		

CHART VIII CONSTRUCTION CONTRACT INDICATORS

22. TOTAL CONSTRUCTION CONTRACTS AWARDED ($000,000) SIX-MONTH MOVING AVERAGE



23. RESIDENTIAL CONSTRUCTION CONTRACTS AWARDED ($000,000) SIX-MONTH MOVING AVERAGE



24. NONRESIDENTIAL CONSTRUCTION CONTRACTS AWARDED ($000,000) SIX-MONTH MOVING AVERAGE

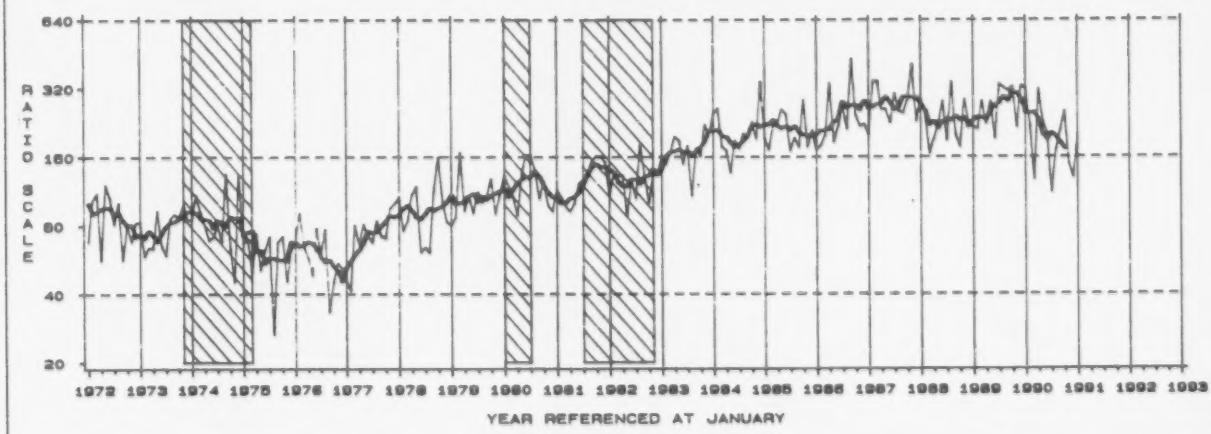


TABLE IX
PRIVATE RESIDENTIAL BUILDING PERMITS INDICATORS

25. Total Private Dwelling Units Authorized By Building Permits (Number)

Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	1,776	2,446	1,979	2,479	1,665	2,040	672	893
Feb	1,740	2,434	1,884	2,423	1,107	1,624		
Mar	3,555	3,546	2,293	2,334	1,698	1,738		
Apr	2,993	2,879	2,904	2,883	1,702	1,670		
May	3,323	3,046	2,491	2,225	1,581	1,349		
Jun	3,186	2,864	2,685	2,406	1,496	1,393		
Jul	2,833	2,742	1,767	1,670	1,221	1,092		
Aug	2,920	2,620	2,833	2,521	1,116	998		
Sep	2,522	2,471	2,109	2,133	1,109	1,153		
Oct	2,870	2,756	2,152	2,000	1,088	978		
Nov	2,298	2,309	1,822	1,832	997	997		
Dec	1,847	1,826	1,797	1,880	952	995		

26. Private Single-Family Dwelling Units Auth. By Bldg. Permits (Number)

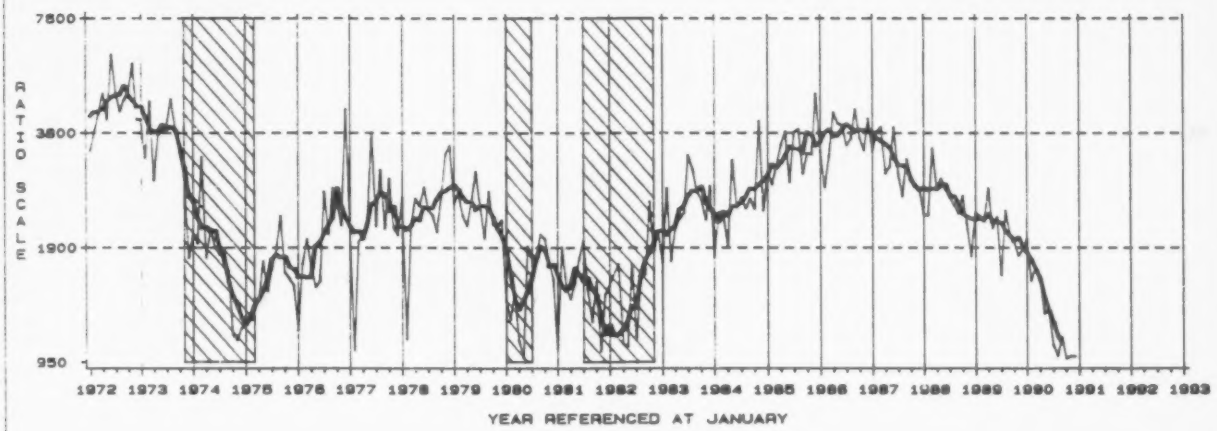
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	1,307	1,956	1,138	1,617	968	1,338	616	837
Feb	1,242	1,917	896	1,423	886	1,397		
Mar	2,532	2,577	1,380	1,436	1,199	1,250		
Apr	2,176	2,041	1,730	1,703	1,053	1,007		
May	2,138	1,876	1,714	1,456	1,332	1,110		
Jun	1,998	1,689	1,866	1,581	1,029	922		
Jul	2,195	2,074	1,495	1,375	1,036	898		
Aug	1,964	1,711	1,983	1,719	885	793		
Sep	1,893	1,825	1,412	1,426	697	740		
Oct	2,120	2,000	1,509	1,352	847	733		
Nov	1,642	1,659	1,361	1,374	811	807		
Dec	1,271	1,245	1,250	1,327	692	735		

27. Private Multi-Family (5 or more) Dwelling Units Auth. By Bldg Permits (Number)

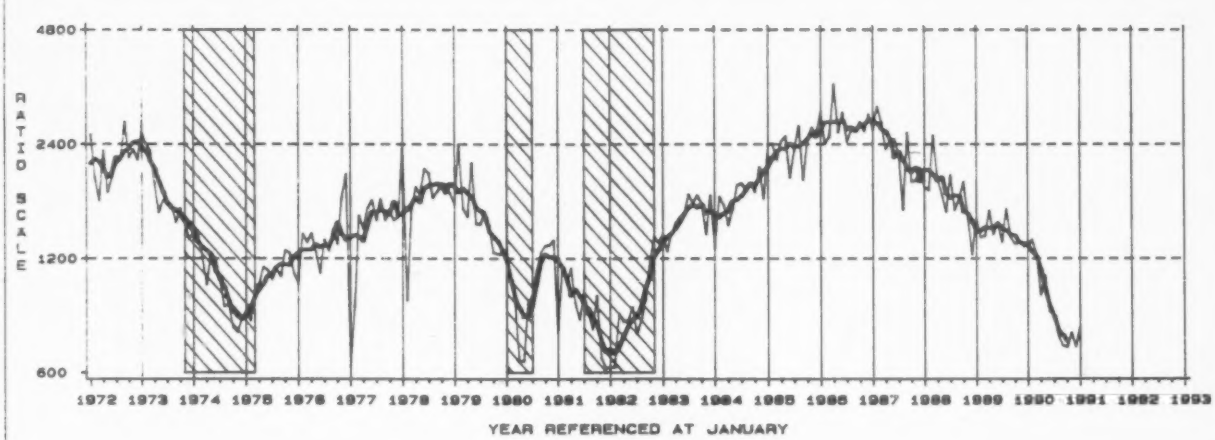
Date	1988	1989	1990	1991
	**DATA NOT SUITABLE FOR SEASONAL ADJUSTMENT			
	Unadj.	Unadj.	Unadj.	Unadj.
Jan	350	679	637	12
Feb	374	885	170	
Mar	784	801	436	
Apr	680	1,073	550	
May	980	667	196	
Jun	1,016	726	421	
Jul	538	168	156	
Aug	735	720	99	
Sep	503	622	368	
Oct	643	591	196	
Nov	554	384	150	
Dec	478	459	237	

CHART IX PRIVATE RESIDENTIAL BUILDING PERMIT INDICATORS

26. TOTAL DWELLING UNITS AUTHORIZED BY BUILDING PERMITS (SIX-MONTH MOVING AVERAGE)



26. SINGLE-FAMILY DWELLING UNITS AUTHORIZED BY BUILDING PERMITS (FIVE-MONTH MOVING AVERAGE)



27. MULTI-FAMILY(5+) DWELLING UNITS AUTHORIZED BY BUILDING PERMITS (SIX MONTH MOVING AVERAGE)

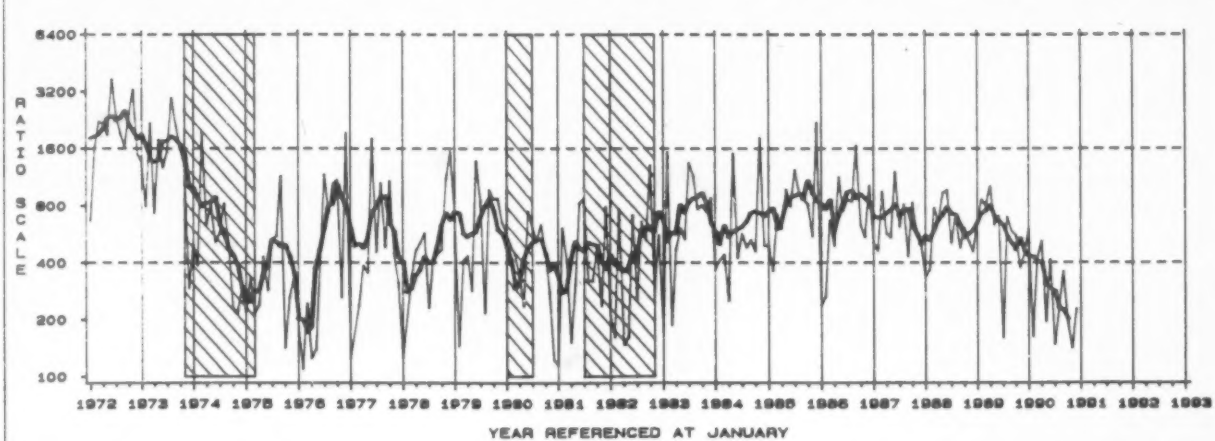


TABLE X
TRADE INDICATORS

28. Sales of Retail Stores ($000,000)

Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	4,208	4,770	4,418	5,048	4,642	5,237		
Feb	4,235	4,879	4,184	5,022	4,405	5,285		
Mar	4,925	5,086	4,932	5,051	5,176	5,300		
Apr	4,725	4,862	4,848	5,053	5,187	5,391		
May	4,945	4,918	5,200	5,100	5,412	5,286		
Jun	5,209	4,970	5,402	5,146	5,506	5,272		
Jul	5,024	5,025	5,137	5,113	5,208	5,220		
Aug	5,085	4,948	5,420	5,237	5,448	5,223		
Sep	4,927	4,933	5,134	5,181	5,098	5,221		
Oct	5,021	5,053	5,091	5,161	5,195	5,192		
Nov	5,176	5,069	5,294	5,110	5,615	5,433		
Dec	6,307	5,074	6,228	5,135	6,267	5,164		

29. Sales of Retail Stores in 1982-84 Dollars ($000,000)

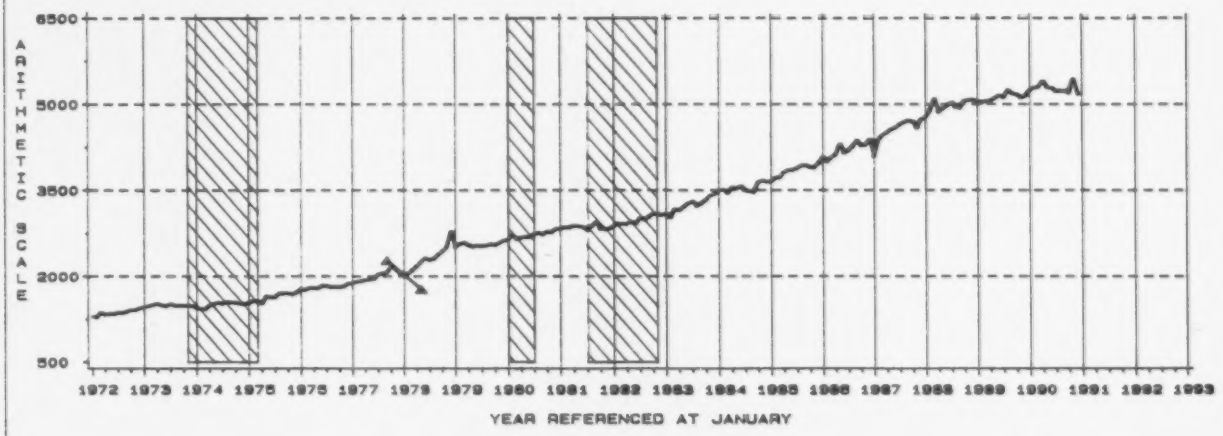
Date	1988	1989	1990	1991
	Adj.	Adj.	Adj.	Adj.
Jan	4,313	4,405	4,379	
Feb	4,431	4,371	4,386	
Mar	4,594	4,377	4,366	
Apr	4,364	4,334	4,415	
May	4,415	4,352	4,333	
Jun	4,469	4,398	4,336	
Jul	4,499	4,385	4,272	
Aug	4,418	4,511	4,236	
Sep	4,331	4,417	4,170	
Oct	4,417	4,363	4,091	
Nov	4,458	4,323	4,278	
Dec	4,467	4,352	4,066	

30. New Passenger Car Registrations (Number)

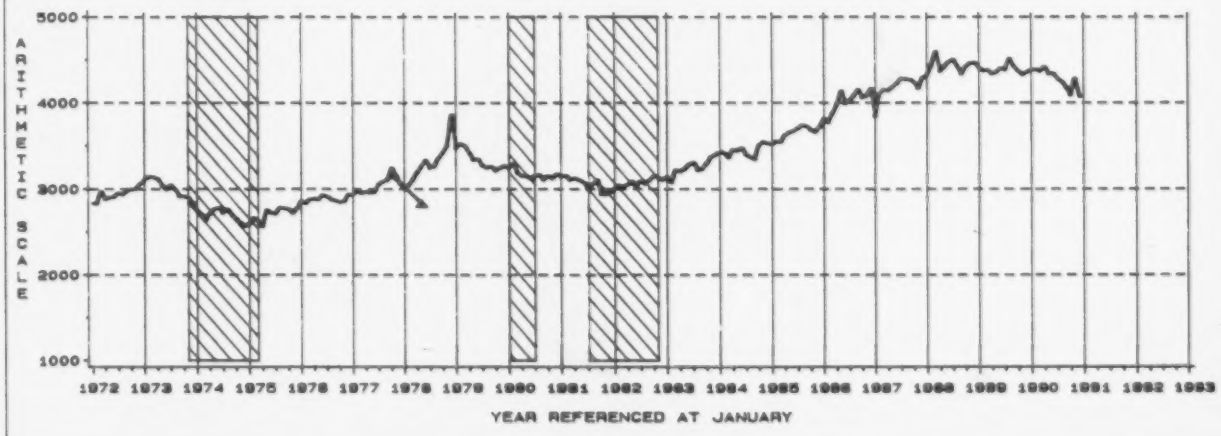
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	31,187	37,516	30,762	37,352	30,805	35,192		
Feb	37,108	41,959	31,032	36,780	28,097	33,171		
Mar	44,315	42,712	33,782	33,213	34,807	33,343		
Apr	40,590	38,253	37,283	37,282	34,383	34,546		
May	42,569	41,073	40,231	35,424	36,091	32,702		
Jun	45,763	38,842	41,326	34,500	41,333	32,560		
Jul	39,607	38,309	35,348	34,483	27,108	26,621		
Aug	42,224	36,782	40,419	36,418	30,852	28,065		
Sep	39,463	36,207	37,146	32,587	30,162	28,977		
Oct	36,153	35,878	34,087	34,555	29,750	28,449		
Nov	31,957	36,572	29,381	34,803	26,914	31,230		
Dec	31,715	36,948	25,719	31,912	21,623	27,179		

CHART X TRADE INDICATORS

28. SALES OF RETAIL STORES ($000,000)



29. SALES OF RETAIL STORES IN 1982–84 DOLLARS ($000,000)



30. NEW PASSENGER CAR REGISTRATIONS(NUMBER) SIX–MONTH MOVING AVERAGE

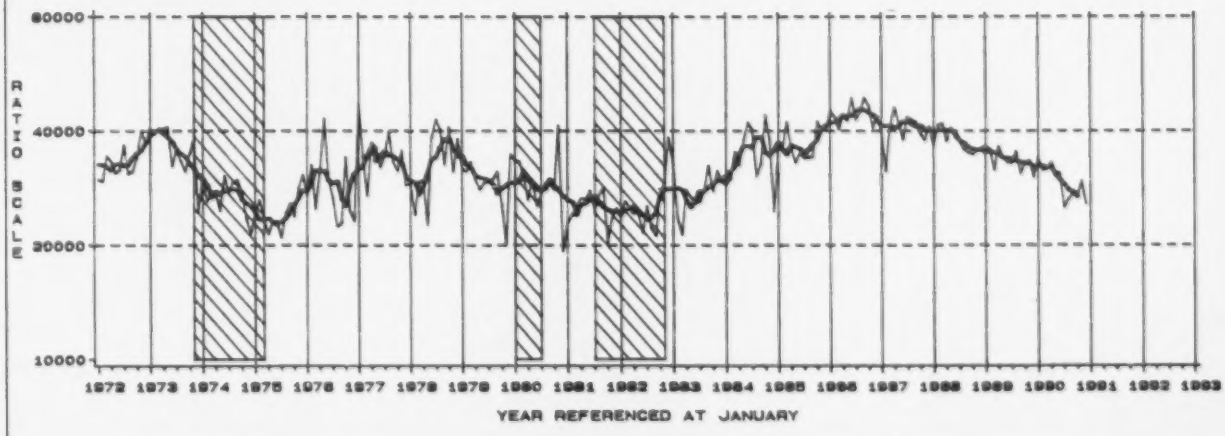


TABLE XI
UNEMPLOYMENT INSURANCE CLAIMANTS INDICATORS - I

31. Weeks Claimed (Wkly Avg-WA) & Insured Unemployment Rate (IUR%)

Date	1988		1989		1990		1991	
	WA Adj.	IUR Adj.	WA Adj.	IUR Adj.	WA Adj.	IUR Adj.	WA Adj.	IUR Adj.
Jan	69.1	2.0	68.7	2.0	92.4	2.6	126.1	3.6
Feb	68.7	2.0	70.6	2.0	93.2	2.6		
Mar	66.6	2.0	77.4	2.2	95.7	2.7		
Apr	68.7	2.0	78.6	2.3	99.6	2.8		
May	70.1	2.1	80.5	2.3	100.4	2.8		
Jun	71.4	2.1	81.2	2.3	102.7	2.9		
Jul	72.6	2.1	85.3	2.4	102.7	2.9		
Aug	71.5	2.1	85.1	2.4	105.8	3.0		
Sep	71.6	2.1	85.6	2.5	109.1	3.1		
Oct	72.3	2.1	88.2	2.5	112.3	3.2		
Nov	72.4	2.1	89.1	2.5	117.6	3.3		
Dec	70.9	2.1	92.0	2.6	124.0	3.5		

32. Initial Claims Weekly Average (Number)

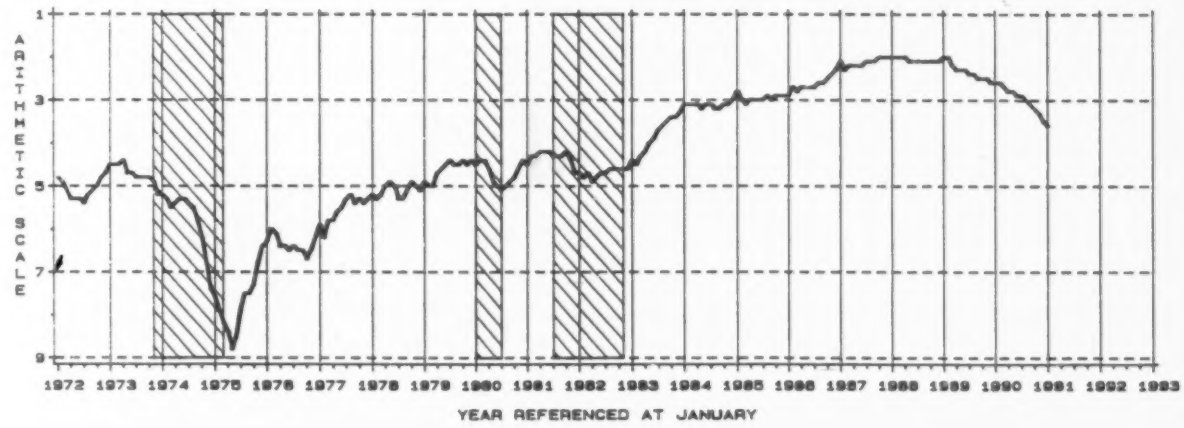
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	15,089	9,932	13,666	8,599	16,647	10,643	20,031	13,140
Feb	8,696	7,928	9,038	8,791	11,950	11,605		
Mar	7,207	8,107	8,555	9,597	9,753	10,934		
Apr	7,989	8,535	8,902	9,516	10,130	10,286		
May	6,495	8,100	7,410	9,413	8,918	11,664		
Jun	8,247	8,489	9,632	9,787	11,232	11,673		
Jul	10,473	9,387	11,606	10,050	12,133	10,402		
Aug	6,597	8,196	8,435	10,736	9,902	12,562		
Sep	6,089	8,190	7,611	10,510	9,402	13,002		
Oct	7,079	8,336	9,275	10,787	11,291	13,303		
Nov	7,346	8,270	9,875	10,993	12,074	13,221		
Dec	12,071	8,789	14,302	10,492	16,561	11,767		

33. Unemployment Insurance Exhaustions (Number)

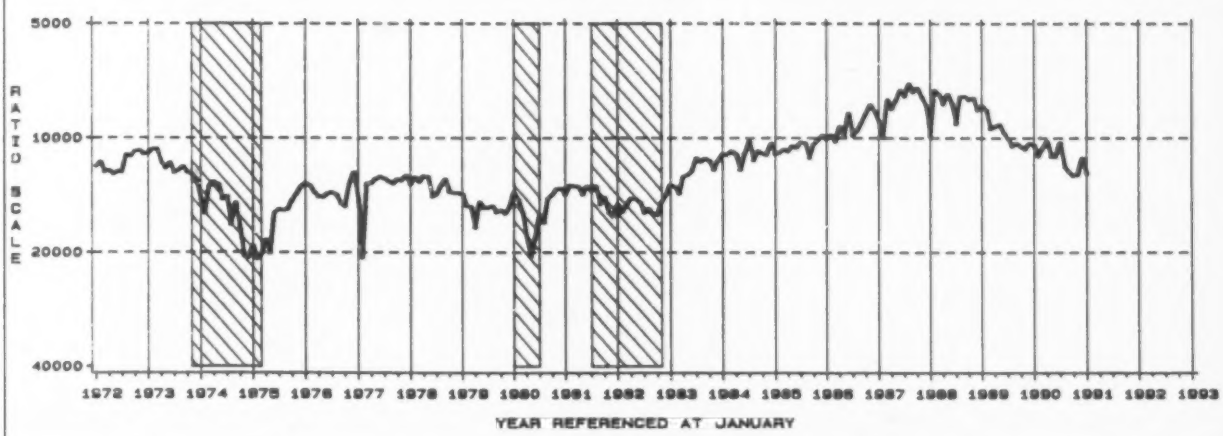
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	6,294	6,214	7,210	7,107	10,108	9,950	14,368	14,144
Feb	6,367	6,566	6,209	6,426	8,272	8,597		
Mar	7,849	6,743	7,900	6,812	9,334	8,066		
Apr	7,114	6,258	7,584	6,796	9,806	8,870		
May	7,075	6,438	7,982	7,201	10,699	9,597		
Jun	6,536	6,602	7,639	7,608	9,629	9,512		
Jul	6,343	6,179	7,431	7,300	11,816	11,675		
Aug	6,584	6,829	7,905	8,057	10,150	10,212		
Sep	5,548	6,439	6,363	7,433	9,071	10,680		
Oct	5,519	6,073	7,431	8,161	10,740	11,809		
Nov	6,338	7,364	7,504	8,573	10,163	11,505		
Dec	6,345	6,287	7,373	7,440	10,758	11,025		

CHART XI UNEMPLOYMENT INSURANCE CLAIMANT INDICATORS – I

31. INSURED UNEMPLOYMENT RATE (%) – INVERTED SCALE



32. INITIAL CLAIMS – WEEKLY AVERAGE(NUMBER) – INVERTED SCALE



33. UNEMPLOYMENT INSURANCE EXHAUSTIONS(NUMBER) – INVERTED SCALE

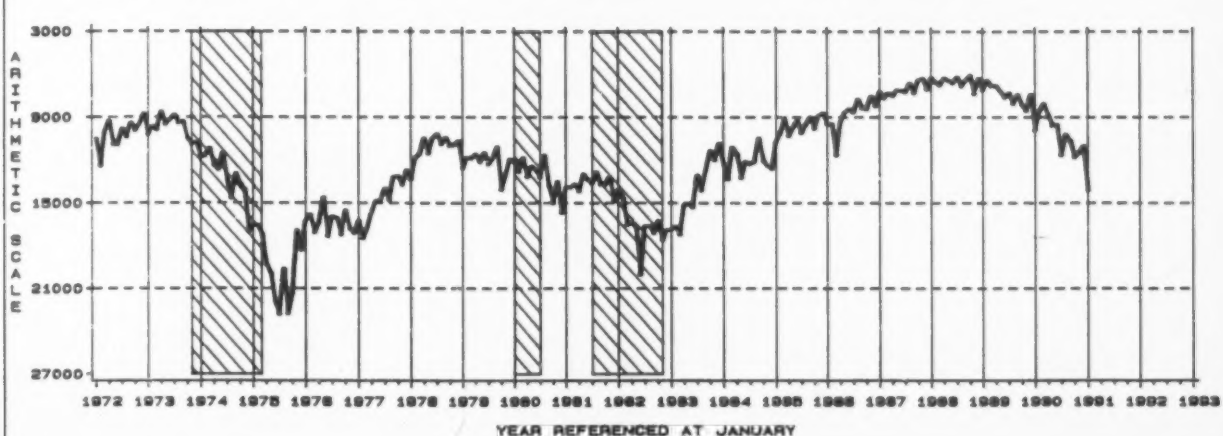


TABLE XII
UNEMPLOYMENT INSURANCE CLAIMANTS INDICATORS - II

34. Insured Unemployment In Manufacturing (000)

Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	32.4	23.6	26.4	20.5	29.8	22.2	38.6	33.5
Feb	26.4	23.3	20.2	16.2	27.9	28.2		
Mar	23.5	20.9	19.3	17.6	31.1	27.8		
Apr	23.4	20.9	20.3	19.0	31.2	29.5		
May	20.8	21.3	19.1	19.0	28.2	27.5		
Jun	18.1	24.7	20.6	21.7	28.4	29.4		
Jul	21.3	20.9	20.2	19.8	40.8	30.1		
Aug	18.8	20.9	21.9	23.7	34.0	33.3		
Sep	16.0	19.3	17.5	20.6	25.2	29.2		
Oct	16.6	19.2	18.9	22.2	25.6	29.7		
Nov	16.6	18.5	20.0	22.8	26.2	29.5		
Dec	16.6	17.1	22.9	23.1	31.1	31.8		

35. Insured Unemployment in Construction (000)

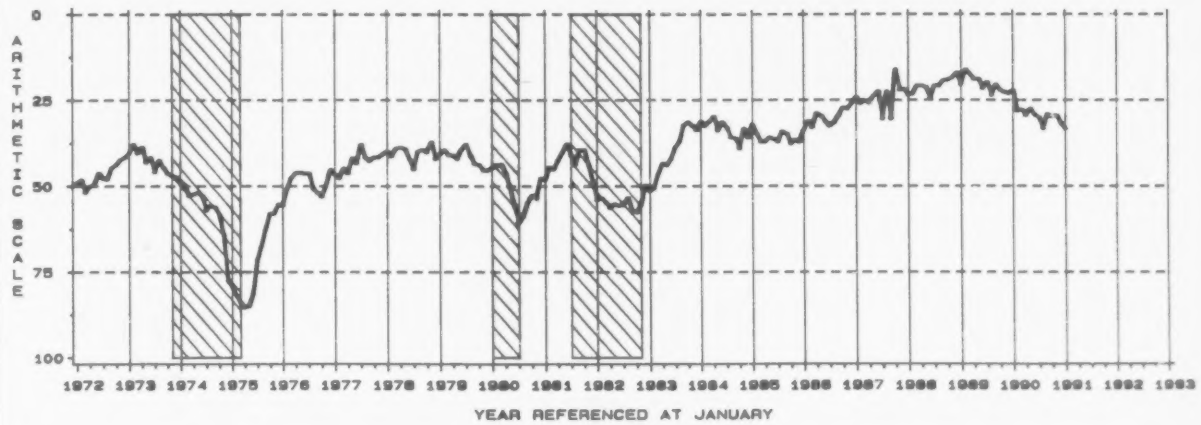
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.
Jan	13.8	9.6	13.2	9.2	18.7	13.0	26.7	18.5
Feb	21.2	9.8	20.5	9.4	21.0	9.6		
Mar	18.8	8.9	20.9	10.0	20.7	10.1		
Apr	10.0	7.8	14.4	11.5	16.2	13.1		
May	7.1	7.8	10.8	12.0	13.2	14.8		
Jun	5.9	8.2	9.7	13.1	12.7	17.1		
Jul	5.2	8.2	9.6	14.5	12.5	18.8		
Aug	4.2	8.4	7.2	14.1	11.0	21.3		
Sep	3.4	7.7	6.0	13.9	12.4	28.6		
Oct	5.2	10.7	7.3	14.6	12.5	24.7		
Nov	5.5	10.2	7.5	13.8	13.2	23.8		
Dec	7.4	9.6	10.1	13.0	18.3	23.8		

36. Insured Unemployment in Private Service-Producing Industries (000)

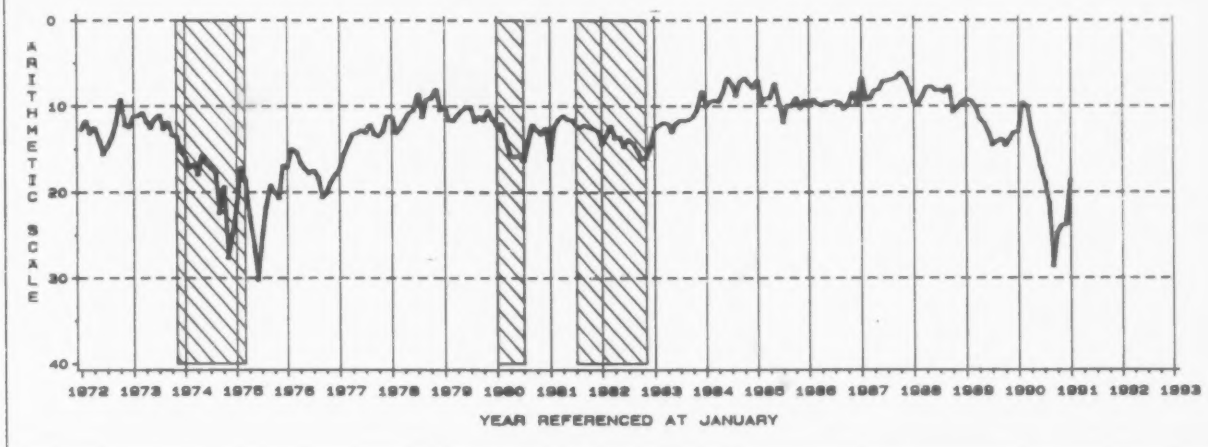
Date	1988		1989		1990		1991	
	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj.	Unadj.	Adj
Jan	48.6	43.3	44.7	41.0	56.4	50.8	76.6	68.3
Feb	45.3	39.8	42.9	39.2	62.1	55.3		
Mar	39.8	37.8	41.5	40.7	58.4	55.9		
Apr	39.5	39.8	41.4	41.9	55.7	56.0		
May	36.0	39.6	39.8	42.6	53.3	57.9		
Jun	36.9	40.4	41.1	43.5	53.8	58.1		
Jul	45.6	40.9	51.3	45.5	64.8	57.8		
Aug	45.8	41.1	51.8	46.3	66.6	59.9		
Sep	35.6	38.5	40.7	43.6	56.8	62.5		
Oct	39.3	44.6	40.3	44.8	58.2	65.4		
Nov	38.6	44.0	57.1	43.7	59.5	68.1		
Dec	39.4	40.8	45.1	46.7	71.0	63.3		

CHART XII UNEMPLOYMENT INSURANCE CLAIMANT INDICATORS – II

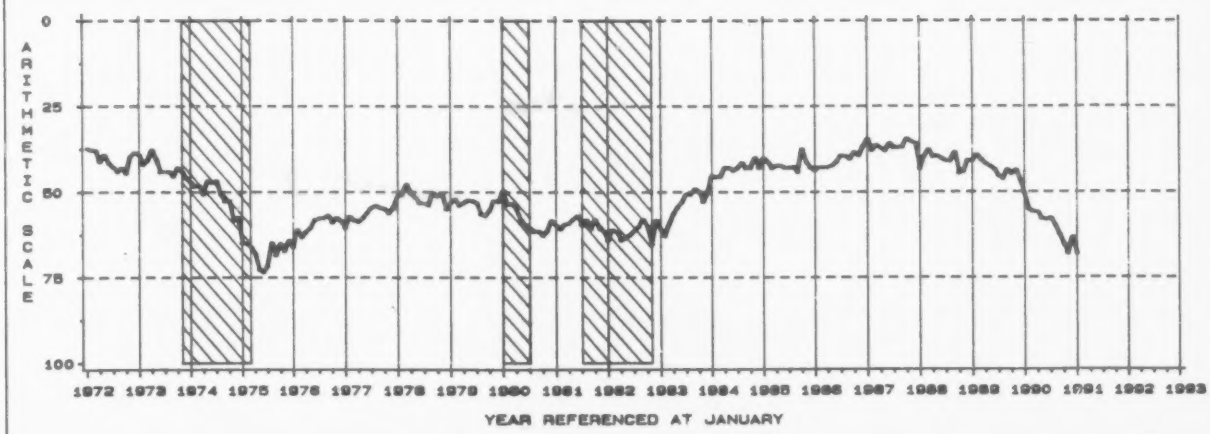
34. INSURED UNEMPLOYMENT IN MANUFACTURING (000) – INVERTED SCALE



35. INSURED UNEMPLOYMENT IN CONSTRUCTION (000) – INVERTED SCALE



36. INSURED UNEMPLOYMENT IN PRIVATE SERVICE–PRODUCING INDUSTRIES(000) – INVERTED SCALE



NEW JERSEY'S NONFARM PAYROLL WORKERS BY MAJOR INDUSTRIES, 1966-1990
(thousands)

Year	Total Nonfarm Payrolls	Goods Prod.	Mfg.	Mining	Contract Constr.	Private Service Prod.	Transp. Comm. & Pub. Util.	Trade	Finance Ins. & Real Est.	Services	Public Sector
1966	2,359.1	993.5	879.3	3.0	111.2	1,053.6	162.2	459.6	101.0	330.8	312.0
1967	2,421.5	997.7	882.8	2.8	112.2	1,094.6	166.3	472.0	104.7	351.6	329.2
1968	2,485.2	1,004.1	885.3	3.1	115.6	1,136.8	166.3	489.5	108.4	372.6	344.4
1969	2,569.6	1,013.9	892.5	3.3	118.1	1,195.6	176.2	514.9	111.3	393.2	360.1
1970	2,606.2	984.3	860.7	3.2	120.4	1,247.1	182.2	538.0	116.5	410.4	374.8
1971	2,607.6	938.9	818.3	3.0	117.6	1,280.8	181.1	558.3	120.4	421.0	388.0
1972	2,674.4	948.1	823.3	3.2	121.6	1,321.0	181.2	577.3	124.6	437.9	405.3
1973	2,760.8	972.7	842.6	3.3	126.8	1,371.1	186.4	596.9	131.0	456.8	417.1
1974	2,783.4	947.8	825.9	3.2	118.7	1,395.7	185.8	603.5	136.5	469.9	439.9
1975	2,699.9	849.9	747.9	2.8	99.2	1,379.9	174.3	599.3	135.2	471.1	470.2
1976	2,753.7	852.8	756.2	2.7	93.9	1,420.5	176.0	618.5	138.0	488.0	480.5
1977	2,836.9	865.1	767.3	2.9	94.9	1,468.2	178.2	637.3	142.9	509.8	504.0
1978	2,961.9	894.7	786.8	2.6	105.3	1,544.3	188.5	665.9	147.7	542.2	523.0
1979	3,027.2	915.5	799.1	2.6	113.7	1,593.9	190.4	678.6	153.9	571.0	517.8
1980	3,060.4	894.7	781.0	2.4	111.2	1,636.0	194.5	680.3	158.1	603.1	529.7
1981	3,098.9	882.1	771.1	2.3	108.7	1,687.8	196.5	690.6	161.8	638.9	529.0
1982	3,092.7	839.1	729.6	2.1	107.3	1,729.0	197.1	701.2	167.1	663.6	524.7
1983	3,165.1	829.2	715.1	2.0	112.1	1,814.7	203.0	735.3	172.7	703.7	521.2
1984	3,329.3	860.2	726.8	2.2	131.3	1,947.0	219.4	787.3	183.0	757.3	522.1
1985	3,414.1	856.0	712.9	2.1	141.0	2,027.0	226.1	813.3	194.9	792.7	531.1
1986	3,488.1	844.9	689.7	2.1	153.1	2,107.6	231.6	832.8	210.8	832.4	535.6
1987	3,576.3	837.9	672.2	2.3	163.4	2,196.7	239.0	858.3	226.8	872.6	541.8
1988	3,651.0	832.7	662.1	2.4	168.2	2,267.4	242.4	875.4	235.9	913.6	550.9
1989	3,689.8	806.4	639.6	2.5	164.3	2,324.3	240.9	887.1	241.7	954.7	559.0
1990	3,665.4	750.4	599.6	2.4	148.4	2,343.3	237.4	877.3	240.0	988.7	571.8

Year	Durable Goods	Lumber & Wood	Furniture & Fix.	Stone, Clay & Glass	Primary Metals	Fab. Metals	Indus. Mach.	Transp. Equip.	Elec. Equip. & Instr.*	Misc. Mfg.
1966	463.4	5.2	10.5	39.3	40.4	64.7	70.8	36.4	164.2	31.9
1967	464.6	5.0	11.0	39.1	38.6	66.2	75.0	32.0	167.6	30.0
1968	460.9	5.3	10.2	38.8	38.5	67.5	75.8	31.7	163.4	29.7
1969	463.3	5.2	11.0	40.9	39.4	69.8	76.2	31.4	159.2	30.2
1970	434.3	4.9	10.5	39.6	37.2	67.0	72.8	26.3	148.4	27.5
1971	404.6	4.5	10.6	39.0	33.3	62.9	66.3	25.2	137.0	25.6
1972	405.9	5.1	10.8	39.9	31.8	63.5	65.8	25.7	138.0	25.2
1973	420.5	5.3	10.6	40.8	32.0	66.2	72.1	25.3	142.5	25.9
1974	413.2	5.0	10.3	40.5	31.2	64.4	76.1	21.1	139.0	25.6
1975	363.0	4.6	8.9	36.0	26.1	58.1	68.4	19.3	119.3	22.4
1976	363.0	5.3	8.7	36.1	23.9	59.4	67.5	19.8	118.1	24.0
1977	370.0	5.8	8.9	35.1	23.0	61.1	71.0	20.7	119.9	24.5
1978	382.8	6.0	10.0	35.2	24.5	64.1	74.2	20.9	122.1	25.7
1979	395.9	6.7	10.3	35.3	25.5	64.5	76.4	21.6	128.5	27.1
1980	384.3	5.9	9.7	33.1	25.7	60.8	75.1	18.5	129.4	26.1
1981	374.7	6.1	9.6	30.9	25.4	58.8	72.5	17.5	128.7	25.3
1982	350.1	5.5	9.9	27.1	21.8	54.3	66.5	14.7	126.6	23.6
1983	341.6	5.9	10.5	26.8	20.7	50.9	60.9	15.1	127.3	23.5
1984	346.2	6.4	12.6	26.2	21.6	51.1	59.9	16.1	128.5	23.9
1985	337.4	6.7	12.9	25.2	20.9	50.2	59.1	14.6	127.0	20.7
1986	322.0	6.9	12.6	24.4	20.0	48.4	55.8	12.3	121.6	20.1
1987	309.8	7.1	11.3	24.1	18.7	45.1	53.8	14.8	114.5	20.4
1988	301.3	6.9*	10.2	23.6*	18.3	44.4*	53.8*	14.0*	109.0*	20.9
1989	284.3	6.2	9.2	22.8	17.5	43.2	52.1	12.8	100.7	19.9
1990	257.5	4.8	8.7	21.2	16.0	39.6	48.2	10.7	91.1	17.2

Year	Nondur. Goods	Food	Tobacco	Textiles	Apparel	Paper	Print. Pub.	Chem.	Petroleum	Rubber & Plastics	Leather
1966	415.9	67.2	0.8	29.6	80.3	33.0	39.6	105.5	10.5	37.2	12.2
1967	418.1	65.3	0.6	29.1	78.5	33.7	41.5	110.9	9.6	37.7	11.3
1968	424.5	64.5	0.3	30.5	78.7	34.3	42.2	113.1	9.7	39.9	11.5
1969	429.2	63.2	0.3	30.8	77.2	35.0	43.3	117.4	10.0	41.4	10.6
1970	426.4	63.5	0.3	29.6	72.3	35.3	44.8	120.9	10.1	40.0	9.6
1971	413.7	61.8	0.3	29.4	69.8	35.9	43.8	117.5	10.1	36.8	9.5
1972	417.4	59.8	0.3	30.5	68.9	35.9	46.0	119.3	10.6	37.2	8.9
1973	422.1	58.7	0.2	31.3	68.7	36.8	46.9	124.1	10.9	35.5	9.0
1974	412.7	56.7	0.2	28.8	63.1	35.4	47.8	126.6	11.8	34.0	8.4
1975	384.9	53.6	0.2	24.5	57.9	32.1	46.4	121.0	12.1	29.3	7.9
1976	393.2	52.7	0.2	23.9	61.1	33.2	47.4	122.4	11.9	32.0	8.3
1977	397.3	50.2	0.3	22.8	59.7	33.4	49.7	127.2	11.9	34.2	7.9
1978	404.0	49.9	0.5	22.4	59.3	33.7	51.7	130.0	11.9	37.3	7.3
1979	403.3	49.5	0.4	21.5	56.5	33.9	54.3	129.6	11.9	38.8	6.9
1980	396.8	49.3	0.4	20.2	55.7	32.3	55.4	128.2	12.0	37.4	5.9
1981	396.4	48.1	0.3	19.0	56.1	31.3	57.7	128.9	11.8	37.3	5.9
1982	379.6	47.2	0.3	16.6	50.4	30.6	57.7	124.5	11.2	36.1	5.1
1983	373.5	47.7	0.3	15.4	50.6	31.2	58.0	119.1	10.3	36.2	4.7
1984	380.5	47.7	0.4	15.1	50.2	31.9	62.7	119.9	10.0	38.4	4.3
1985	375.5	47.9	0.3	14.1	46.8	30.1	65.6	120.2	9.3	37.1	4.0
1986	367.7	48.4	0.2	13.4	45.4	28.8	66.2	117.4	8.6	35.9	3.4
1987	362.4	48.9	0.3	13.2	42.7	28.3	66.5	116.0	8.3	35.3	3.0
1988	360.8	48.0	0.2	13.2	40.2	27.5*	66.8	119.3	8.1	34.7*	2.9
1989	355.3	47.2	0.2	12.9	37.9	26.9	66.2	119.9	8.4	32.9	2.9
1990	342.1	46.4	0.1	12.1	32.8	25.6	64.0	119.1	8.5	30.8	2.8

* Data from 1988 forward not precisely comparable with earlier figures due to 1972-to-1987 Standard Industrial Classification revisions. A combined series for electronic equipment and instruments is now published because of a major impact on these industries due to the introduction of the 1987 SIC. All employment series have been adjusted to a 1990 benchmark, and may not agree with previously published data.

NEW JERSEY LABOR FORCE DATA
(Thousands)

	Feb 1991	Jan 1991	Feb 1990	Net Change From Month Ago	Net Change From Year Ago
Civilian Labor Force	3,962	3,990	4,038	-28.0	-76.0
Total Employment	3,694	3,705	3,838	-11.0	-144.0
Total Unemployment	268	285	200	-17.0	68.0
Seasonally Adj. Unemp. Total	249	258	180	- 9.0	83.0
Unemployment Rate	6.8	7.1	5.0	- 0.3	1.8
Seasonally Adj. Unemp. Rate	6.3	6.4	4.5	- 0.1	1.8

NOTE: Based on U.S. Bureau of Labor Statistics Method.

SEASONALLY ADJUSTED
CHARACTERISTICS OF THE NEW JERSEY INSURED UNEMPLOYED*
(Regular State UI Program Only)
(Thousands)

	Jan 1991	Dec 1990	Jan 1990	Net Change From Month Ago	Net Change From Year Ago
Total Insured Unemployed **	150.3	121.0	105.6	29.3	44.7
Total Insured Unemployed	125.2	125.0	88.0	0.2	37.2
Male	74.5	78.7	51.7	-4.2	22.8
Female	48.7	47.7	34.9	1.0	13.8
White, Not Hispanic	79.2	80.9	54.2	-1.7	25.0
Black, Not Hispanic	26.0	26.0	17.7	0.0	8.3
Hispanic	17.6	20.2	14.4	-2.6	3.2
Other**	2.7	2.3	1.6	0.4	1.1
Manufacturing	33.5	32.3	24.7	1.2	8.8
Durable Goods	17.5	17.8	12.1	-0.3	5.4
Nondurable Goods	16.0	14.5	12.6	1.5	3.4
Nonmanufacturing	94.9	97.1	64.3	-2.2	30.6
Contract Construction	18.5	23.7	13.0	-5.2	5.5
Trans. & Public Utilities	7.3	5.9	5.9	1.4	1.4
Wholesale & Retail Trade	27.2	28.4	19.0	-1.2	8.2
Finance/Ins/Real Estate	7.9	6.8	4.4	1.1	3.5
Services	28.2	27.3	17.8	0.9	10.4
By Age Of Claimant					
Under 25	12.6	14.5	9.1	-1.9	3.5
25 Through 34	41.5	41.3	28.2	0.2	13.3
35 Through 44	30.9	32.8	21.1	-1.9	9.8
45 Through 54	22.5	22.1	15.3	0.4	7.2
55 Through 64	14.9	13.9	11.8	1.0	3.1
65 And Over	3.2	3.4	2.6	-0.2	0.8
By Duration of Unemployment					
1 to 2 Weeks	13.2	13.9	8.7	-0.7	4.5
3 to 4 Weeks	10.9	12.1	10.2	-1.2	0.7
5 Through 14 Weeks	64.4	66.4	44.0	-2.0	20.4
15 Weeks And Over	41.3	41.3	26.2	0.0	15.1

* Data are for claims filed for the week including the 12th of the month and are seasonally adjusted, except as noted. The data on characteristics of the insured unemployed under the Regular State UI Program are based on a 3% sample of all insured unemployed. Industry data are for selected categories and do not add to totals.

** Not Seasonally Adjusted.

RESIDENTIAL CONSTRUCTION AUTHORIZED BY BUILDING PERMITS IN NEW JERSEY

	Jan[1]	Dec[2]	YEAR TO DATE[3]		
	1991	1990	1991	1990	% CHANGE
TOTAL DWELLING UNITS AUTHORIZED	672	952	672	1,683	-60.0
Private Units	672	952	672	1,665	-59.6
Single Family	616	692	616	968	-36.3
Two-Family	36	16	36	44	-18.1
Three-or-Four Family	8	7	8	16	-50.0
Five or More Family	12	237	12	637	-98.1
Public Units	0	0	0	18	-100.0
ESTIMATED VALUE OF RESIDENTIAL PERMITS (000)	$91,403	$110,921	$91,403	$168,685	-45.8
New Buildings	$56,696	$74,576	$56,696	$115,077	-50.7
Additions and Alterations	$34,707	$36,345	$34,707	$53,608	-35.2

[1] Based on reports received from 492 of 567 municipalities.
[2] Based on reports received from 487 of 567 municipalities.
[3] Does not include any late reports.
SOURCE: N.J. Department of Labor

OFFICIAL BLS SAMPLE ESTIMATES STANDARD ERRORS AND COEFFICIENTS OF VARIATION (Not Seasonally Adjusted)

		RESIDENT EMPLOYMENT (in thousands)			UNEMPLOYMENT (in thousands)			UNEMPLOYMENT RATE (percent of labor force)		
Year	Month	Estimate	Std. Error	Coeff. of Var.	Estimate	Std. Error	Coeff. of Var.	Estimate	Std. Error	Coeff. of Var.
1990	Jan	3,773	±60	1.6%	207	±28	13.5%	5.2%	±.7	13.5%
	Feb	3,838	±60	1.6%	200	±27	13.5%	5.0%	±.7	14.0%
	Mar	3,849	±60	1.6%	199	±27	13.6%	4.9%	±.7	14.3%
	Apr	3,800	±60	1.6%	177	±26	14.7%	4.4%	±.6	13.6%
	May	3,834	±60	1.6%	185	±26	14.1%	4.6%	±.7	15.2%
	Jun	3,892	±60	1.5%	191	±27	14.1%	4.7%	±.7	14.9%
	Jul	3,922	±59	1.5%	212	±28	13.2%	5.1%	±.7	13.7%
	Aug	3,915	±60	1.5%	189	±27	14.3%	4.6%	±.6	13.0%
	Sep	3,838	±60	1.6%	203	±28	13.8%	5.0%	±.7	14.0%
	Oct	3,848	±60	1.6%	220	±29	13.2%	5.4%	±.7	13.0%
	Nov	3,843	±60	1.6%	209	±28	13.4%	5.2%	±.7	13.5%
	Dec	3,807	±60	1.6%	227	±29	12.8%	5.6%	±.7	12.5%
1991	Jan	3,705	±61	1.6%	285	±32	11.2%	7.1%	±.8	11.3%
	Feb	3,694	±61	1.7%	268	±31	11.6%	6.8%	±.8	11.8%
	Mar									
	Apr									
	May									
	Jun									
	Jul									
	Aug									
	Sep									
	Oct									
	Nov									
	Dec									

DATA NOTES: Standard errors can be used to construct confidence intervals around each sample estimate. A 90% confidence interval means that, if repeated samples were drawn from the same population, the interval of plus or minus 1.645 standard error around each sample estimate would contain, in 9 out of 10 cases, the true value based on a complete census of the population.

The standard errors and coefficients of variation are developed on the basis of past observed variation in New Jersey's sample data. They cannot be applied to seasonally adjusted data because a source of variation, namely seasonal patterns, have already been eliminated by the seasonal adjustment procedure.

Standard errors (S.E.) and coefficient of variation (C.V.) for all years are based on 1987 CPS sample parameters.

COMPARATIVE US AND NJ
CIVILIAN LABOR FORCE TRENDS
SEASONALLY ADJUSTED
(000)
1990 BENCHMARK

DATE	Labor Force		Employment		Unemployment Volume		Unemployment Rate (%)	
	US	NJ	US	NJ	US	NJ	US	NJ
1970	82,771	2,996.0	78,678	2,859.0	4,093	138.0	4.9	4.6
1971	84,382	3,012.0	79,367	2,840.0	5,016	172.0	5.9	5.7
1972	87,034	3,117.0	82,153	2,935.0	4,882	182.0	5.6	5.8
1973	89,429	3,190.0	85,064	3,011.0	4,365	180.0	4.9	5.6
1974	91,949	3,226.0	86,794	3,023.0	5,156	204.0	5.6	6.3
1975	93,775	3,264.0	85,846	2,929.0	7,929	334.0	8.5	10.2
1976	96,158	3,318.0	88,752	2,973.0	7,406	346.0	7.7	10.4
1977	99,009	3,383.0	92,017	3,065.0	6,991	317.0	7.1	9.4
1978	102,251	3,457.0	96,048	3,209.0	6,202	248.0	6.1	7.2
1979	104,962	3,570.0	98,824	3,323.0	6,137	247.0	5.8	6.9
1980	106,940	3,594.0	99,303	3,334.0	7,637	260.0	7.1	7.2
1981	108,670	3,593.0	100,397	3,330.0	8,273	263.0	7.6	7.3
1982	110,204	3,632.0	99,526	3,306.0	10,678	326.0	9,7	9.0
1983	111,550	3,673.0	100,834	3,385.0	10,717	288.0	9.6	7.8
1984	113,544	3,825.0	105,005	3,589.0	8,539	236.0	7.5	6.2
1985	115,461	3,839.0	107,150	3,621.0	8,312	217.0	7.2	5.7
1986	117,834	3,908.0	109,597	3,712.0	8,237	197.0	7.0	5.0
1987	119,865	3,966.0	112,440	3,806.0	7,425	160.0	6.2	4.0
1988	121,669	3,975.0	114,968	3,824.0	6,701	151.0	5.5	3.8
1989	123,869	3,989.0	117,342	3,826.0	6,528	163.0	5.3	4.1
1990								
Jan	124,489	4,007.0	117,945	3,826.0	6,544	181.0	5.3	4.5
Feb	124,653	4,026.0	118,074	3,846.0	6,579	180.0	5.3	4.5
Mar	124,798	4,031.0	118,235	3,843.0	6,563	188.0	5.3	4.7
Apr	124,781	4,015.0	118,090	3,820.0	6,691	195.0	5.4	4.9
May	124,939	4,025.0	118,277	3,832.0	6,662	193.0	5.3	4.8
Jun	124,797	4,042.0	118,237	3,848.0	6,560	194.0	5.3	4.8
Jul	124,709	4,068.0	117,882	3,870.0	6,827	198.0	5.5	4.9
Aug	124,705	4,064.0	117,690	3,865.0	7,015	199.0	5.6	4.9
Sep	124,970	4,075.0	117,883	3,862.0	7,087	213.0	5.7	5.2
Oct	124,875	4,1030	117,733	3,881.0	7,142	222.0	5.7	5.4
Nov	124,723	4,069.0	117,386	3,847.0	7,337	222.0	5.9	5.5
Dec	125,174	4,050.0	117,574	3,818.0	7,600	232.0	6.1	5.7
1991								
Jan	124,638	4,015.0	116,922	3,757.0	7,715	258.0	6.2	6.4
Feb	125,076	3,947.0	116,918	3,698.0	8,158	249.0	6.5	6.3
Mar								
Apr								
May								
Jun								
Jul								
Aug								
Sep								
Oct								
Nov								
Dec								

SOURCE: U.S. Bureau of Labor Statistics

MONTHLY AVERAGES FOR INDICATORS
SERIES 1 THROUGH 36

	INDICATOR SERIES	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
1	Civilian Labor Force (Thou)	3570.0	3594.0	3593.0	3632.0	3673.0	3825.0	3839.0	3908.0	3967.0	3975.0	3989.0	4048.0
2	Resident Employment (Thou)	3323.0	3334.0	3330.0	3306.0	3385.0	3589.0	3621.0	3712.0	3806.0	3824.0	3826.0	3846.0
3	Resident Unemployment (Thou)	247.0	260.0	263.0	326.0	288.0	236.0	217.0	197.0	160.0	151.0	163.0	202.0
4	Labor Force Particip Rate (%)	64.3	64.2	63.5	63.6	63.6	65.6	65.4	65.7	66.0	65.8	66.1	67.1
5	Employment Pop Ratio (%)	59.8	59.5	58.8	57.9	58.6	61.5	61.7	62.4	63.4	63.4	63.4	63.8
6	Unemployment Rate (%)	6.9	7.2	7.3	9.0	7.8	6.2	5.7	5.0	4.0	3.8	4.1	5.0
7	Nonfarm Payroll Emp (Thou)	3027.2	3060.4	3098.9	3092.8	3165.1	3329.3	3414.1	3488.1	3576.3	3651.0	3689.8	3665.4
8	Priv Sec Nonfarm Emp (Thou)	2509.4	2530.7	2569.9	2568.1	2643.9	2807.2	2883.0	2954.3	3039.8	3100.1	3130.7	3093.7
9	Pub Sector Emp (Thou)	517.8	529.7	529.3	524.7	521.2	522.1	531.1	535.6	541.8	550.9	559.0	571.8
10	Manufacturing Emp (Thou)	799.1	781.0	771.1	729.6	715.1	726.8	712.9	689.7	672.2	662.1	639.6	599.6
11	Construction Emp (Thou)	113.7	111.2	108.7	107.3	112.1	131.3	141.0	153.1	163.4	168.2	164.3	148.4
12	Service-Prod Ind (Thou)	1593.9	1636.1	1687.8	1729.0	1814.7	1947.0	2027.0	2107.6	2196.6	2267.4	2324.3	2343.3
13	Mfg. Prod Wrkrs (Thou)	530.7	509.9	503.1	467.7	457.1	457.9	440.7	429.2	425.3	409.1	404.9	372.8
14	Mfg. Workweek (Hours)	41.2	40.7	40.6	39.9	40.6	41.1	40.8	41.2	41.2	41.0	40.9	41.3
15	Aggreg Mfg. Manhours (Thou)	21838	20726	20449	18676	18551	18842	17971	17664	17512	16791	16579	15417
16	Wkly Earn. of Prod Wrkrs ($)	276.45	297.1	327.16	345.53	369.87	390.45	402.29	416.94	428.48	445.49	457.63	486.65
17	US Consumer Price Ind (82-84=100)	73.1	82.9	91.4	96.9	99.8	103.3	106.9	108.6	112.5	117.0	122.6	129.0
18	Net Spendable Earnings ($ 3 Dep)	312.93	296.99	292.01	295.68	304.84	308.97	304.12	306.59	307.70	365.10	356.23	357.91
19	New Business Incorps (No)	1764.0	1790.0	2009.0	1867.0	2185.0	2304.0	2538.0	2761.0	2652.4	2718.8	2540.5	2356.8
20	Business Failures (No)	35.0	36.0	43.0	43.0	57.0	84.0	83.0	76.0	62.3	71.0	48.8	—
21	Elec Power Sales (Mil of KWH)	1383.0	1362.0	1359.0	1269.0	1282.0	1309.0	1303.0	1299.0	1300.6	1322.5	1309.9	1250.5
22	Total Const Contracts ($Mil)	300.2	296.9	295.5	308.8	468.5	532.5	671.1	746.5	738.5	715.3	636.2	460.5
23	Resid Const Contracts ($Mil)	141.3	108.8	108.6	116.1	228.2	242.3	347.5	388.1	346.9	323.6	222.5	142.6
24	Nonres Const Contracts ($Mil)	112.3	129.0	132.8	132.8	176.6	215.5	221.9	253.3	293.5	243.2	281.5	205.9
25	Total Dwelling Units (No)	2495.0	1627.0	1526.0	1572.0	2609.0	2660.0	3555.0	3817.0	3277.0	2666.2	2226.3	1311.0
26	Single Family Dwell Units (No)	1630.0	1085.0	920.0	978.0	1664.0	1841.0	2427.0	2815.0	2364.0	1873.0	1478.0	952.9
27	Multi-Family Dwell Units (No)	673.0	392.0	469.0	498.0	790.0	671.0	915.0	788.0	696.8	636.3	647.9	301.3
28	Retail Sales ($Mil)	2552.0	2729.0	2854.0	2985.0	3250.0	3551.3	3845.3	4211.3	4562.7	4982.3	5107.3	5263.3
29	Retail Sales in 82-84 $ ($Mil)	3307.0	3140.0	3042.0	3066.0	3431.0	3240.0	3636.0	4008.0	4178.3	4431.3	4382.3	4277.3
30	New Passenger Car Reg (No)	31275	30448	26665	27018	29171	36104	37885	45956	41316	38554	34710	30994
31	Wks Claimed Wkly Avg (Thou)	125.5	135.0	126.5	138.9	112.7	93.7	93.4	84.9	71.2	70.5	81.9	104.6
	Insured Unemp Rate (%)	4.7	4.7	4.3	4.7	3.8	3.1	3.0	2.6	2.2	2.1	2.4	3.0
32	Initial Claims Wkly Avg (No)	16175	16346	15029	15842	12891	11363	10758	10500	8481	8615	9859	11666
33	Exhaustions (No)	12125	13112	13686	16597	14369	12150	9644	9471	7028	6493	7378	10046
34	Insured Unemp in Mfg. (Thou)	42.0	50.9	43.3	54.6	41.0	33.4	36.2	30.3	23.6	20.8	20.6	29.9
35	Insured Unemp in Const. (Thou)	11.1	13.9	12.4	14.0	11.8	8.7	9.1	9.7	8.0	8.9	11.4	15.2
36	Ins Unemp Priv Srv-Prod (Thou)	53.8	57.9	59.5	61.7	54.5	43.4	42.0	40.9	35.2	40.8	44.8	59.7

NOTE: See pages S-1 to S-3 for data sources. Data shown using latest available benchmarks. See appropriate pages for monthly data.

STATE OF NEW JERSEY
DEPARTMENT OF LABOR
DIVISION OF LABOR MARKET &
DEMOGRAPHIC RESEARCH
CN 056
TRENTON, NEW JERSEY 08625-0056

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, $300

POSTAGE AND FEES PAID
DEPARTMENT OF LABOR
LAB-449

1682-OP-1-
SRI
CONGRESSIONAL INFO SERVICE
4520 EAST WEST HWY
BETHESDA MD 20814